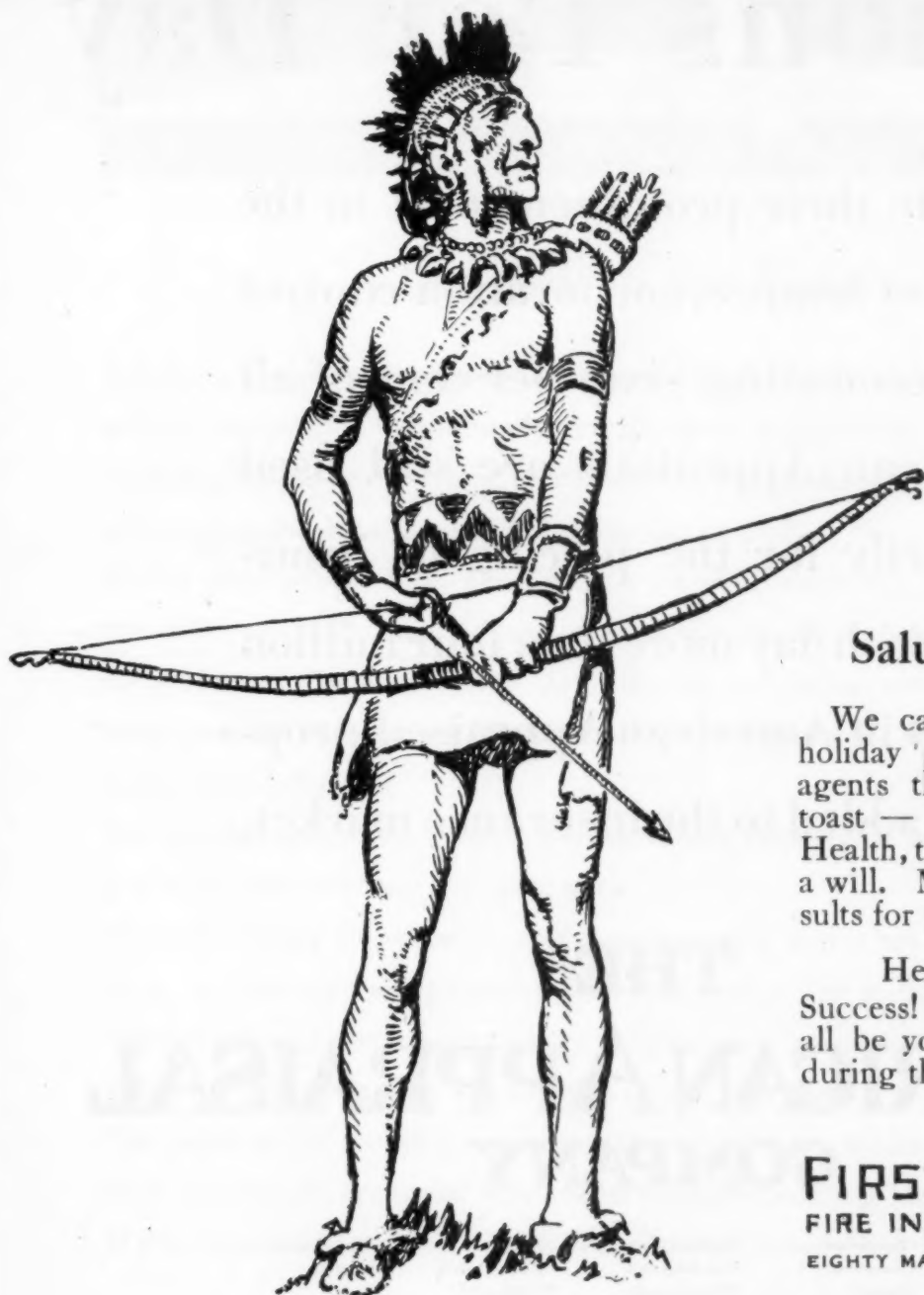


The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, DECEMBER 13, 1928



"AMERICA FORE"

Salud y pesetas!

We can think of no better holiday greeting to insurance agents than that old Spanish toast — Health and Money! Health, that you may work with a will. Money, to indicate results for your efforts.

Health and Money!
Success! Happiness! May they all be yours in great measure during the coming year.

FIRST AMERICAN FIRE INSURANCE COMPANY

EIGHTY MAIDEN LANE, NEW YORK, N. Y.

ERNEST STUBBS, Chairman of the Board,
FRANK L. HAID, President.

CASH CAPITAL — ONE MILLION DOLLARS

New York
Chicago

San Francisco

Dallas
Montreal



Millions Per Day

Despite their prominent part in the fields of finance, corporation control and accounting, sixty per cent of all American Appraisals are still used primarily for the placing of insurance. Each day more than four million dollars in American Appraised property is added to the insurance market.

THE AMERICAN APPRAISAL COMPANY

Atlanta
Boston
Baltimore
Buffalo
Chicago

Cleveland
Cincinnati
Detroit
Dallas
Indianapolis

Kansas City
Los Angeles
Minneapolis
Milwaukee
New Orleans

New York
Philadelphia
Pittsburgh
Syracuse
St. Louis

San Francisco
Seattle
Tulsa
Washington
Berlin, Germany

A N A T I O N A L O R G A N I Z A T I O N



The Search for Value

In talking about our Companies to men qualified to represent them competently as local agents, we intentionally refrain from superlatives. We abstain from claiming that we are the "best" fire insurance organizations, or that our general advertising and local agency helps are the "best."

Maybe some people look upon us as a bit old-fashioned — a bit deliberate in our movements. But our figures of growth at the end of each year show that we are *sound* and *progressive*. Also that we are doing, constructively, everything possible to help our agents increase their incomes. *That* beats all superlative self-adulations!

Our special agents are mature, seasoned men thoroughly acquainted with the problems that confront the local agent.

Our Advertising Department is of moderate size, and it has some very definite ideas on how such a department should function. For instance, we believe the advertising manager ought to have local agency experience if he is to develop powerful advertising for local agents to use. Ours has.

The pages of our monthly magazine, *The Accelerator*, which goes to our agents each month, are crammed with tested business-building ideas.

If you would like a sample copy, write to our Advertising Department.

**BOSTON INSURANCE COMPANY
OLD COLONY INSURANCE COMPANY
87 KILBY STREET, BOSTON, MASSACHUSETTS**



1918 The World War had been raging for four years and it became apparent that the end was in sight. On October 27 Germany declared her willingness to entertain any armistice proposal. On November 9 Kaiser Wilhelm II abdicated and the Crown Prince renounced his rights. Hostilities ceased at 11:00 a.m. on November 11, 1918.

America mobilized 4,272,521 men. Our total casualties were 267,659, including 67,813 dead, 192,482 wounded and 14,363 prisoners or missing.

The casualties of the Allies were 20,892,226 (including the American losses) and of the Central powers 12,542,217—a grand total of 33,434,443, of which 7,781,806 were killed. Russia had the largest losses, followed by Germany, France and Great Britain in order.

In 1918 the officers of the Fireman's Fund completed the rehabilitation and re-organization of the Home Fire & Marine which had been dormant from the time of the great San Francisco fire in April 1906 until re-organization was undertaken in 1917. In the years that have intervened the Home Fire has made consistent and substantial progress.

Fireman's Fund Insurance Company

FIRE, AUTOMOBILE
AND MARINE
INSURANCE



SAN FRANCISCO
CHICAGO NEW YORK
BOSTON ATLANTA

The Fireman's Fund, Home Fire and Marine and Occidental Insurance Company are good companies to represent.

The National Underwriter

Thirty-Second Year No. 50

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, DECEMBER 13, 1928

\$4.00 Per Year, 20 Cents a Copy

COMMISSIONERS MEET IN TORONTO IN 1929

Unauthorized Insurance Committee Reaffirms Resolutions Passed at Rapid City

C. R. DETRICK PRESIDES

Read Reports Difficulty in Drawing Up Model Law to Fit All Requirements

BY C. M. CARTWRIGHT

NEW YORK, Dec. 12.—The annual meeting of the National Convention of Insurance Commissioners will be held in Toronto Sept. 17-19. At the meeting in this city this week T. Leighton Foster, insurance superintendent of Ontario, extended the invitation on behalf of the Association of Superintendents of the Canadian Provinces. A new hotel, the Royal York, is to be opened in Toronto in June. It is to be the largest hostelry in the British Empire and is being built by the Canadian Pacific Railway.

International in Character

Mr. Foster declared that the international character of insurance is now noteworthy. The Canadian superintendents will meet at the same place and joint sessions can be held.

Mr. Foster presented a letter of invitation from Prime Minister C. H. Ferguson of Ontario. The other contestant for the meeting was New Orleans. J. D. Saint and C. T. Farrell of the Louisiana Insurance Commission presented that city's claims. The executive committee however voted for Toronto.

C. R. Detrick Presides

The association held meetings Tuesday and Wednesday mornings with C. R. Detrick of California presiding and Col. Joseph Button of Virginia as secretary. Felix Hebert of Rhode Island, former insurance commissioner and recently elected United States Senator, was present and spoke.

Commissioner Clark of Vermont, for the committee on unauthorized insurance, said that it had reaffirmed the resolutions on the subject passed at the Rapid City meeting in September. The commissioners had been furnished copies and asked to urge their legislatures to pass some protective measure. Commissioner Fishback of Washington in his response urged a retaliating provision, making a state that did not pass such a law open territory for all comers. Mr. Clark said the committee felt such a provision would be imprudent.

Model Law Difficult

Jess G. Read of Oklahoma, chairman of the laws and legislation committee, said it is difficult to form a model law to fit the requirements of all states. He distributed copies of the New Jersey and West Virginia laws. West Virginia prohibits a domestic company from op-

NOVEMBER FIRE LOSSES APPROXIMATE OCTOBER FIGURES GAIN OVER LAST YEAR

FIRE losses in November, as compiled by the New York "Journal of Commerce," were approximately the same as in the previous month, but slightly heavier than was charged against November last year. The losses in the United States and Canada last month reached a total of \$22,287,800, as compared with \$22,414,160 the previous month and \$18,992,200 in November of last year.

Waste Is Inexcusable

In commenting upon the report, the "Journal of Commerce" says: "The above figures, while representing a fire waste that is inexcusable and in a large measure preventable, are not excessive as compared with the experience of the years following the war. In fact they show a very creditable reduction, indicating an elimination of the excessive moral hazard and a better adjustment of business conditions which produces more efficient housekeeping, thereby eliminating many heavy losses the origin of which was slovenliness in industrial plants. In comparing the current fire losses with the monthly records of the years before the war there must be allowance made not only for the immense increase in exposure due to construction but also to the very

great inflation of values of all industrially created property.

"From a fire underwriting viewpoint the results have been fairly satisfactory and the year promises to allow a fair degree of profit should there be no disastrous fires in December. On the other hand, however, the fire insurance companies have not been so fortunate in their side lines, such as tornado, hail and marine, and this fact may in some instances produce an unsatisfactory trade balance on their business as a whole.

Losses by Months

"The fire losses of the country, by months, during the past three years are given below and afford an interesting comparison, particularly as to the downward trend of the burning ratio:

Jan.	\$ 41,118,750	\$37,910,000	\$43,260,800
Feb.	30,963,750	26,285,000	41,105,400
March	42,854,600	26,807,600	30,377,000
April	52,408,400	39,730,000	25,980,600
May	32,764,200	20,713,000	23,202,000
June	28,676,000	25,481,200	11,123,000
July	31,723,400	24,248,600	17,106,400
Aug.	27,833,400	24,299,800	17,723,600
Sept.	19,300,000	21,875,000	17,182,800
Oct.	14,877,000	22,326,600	22,414,160
Nov.	26,724,400	18,992,200	22,287,800
Total 11 mos.	\$349,343,900	\$288,652,600	\$271,763,560
Dec.	43,757,600	31,935,400	.....
Total	\$393,011,500	\$320,595,600	.....

erating in any other state without a license under penalty of having its home state license revoked. The New Jersey law permits unauthorized insurance under proper regulations where it is impossible to get insurance in licensed companies.

The commissioners held a meeting Monday morning to arrange for committee meetings. C. R. Detrick of California, president of the organization, will retire as insurance commissioner of his state in March. This, therefore, is the only meeting over which he will preside.

James A. Beha of New York, vice-president, will retire from his department Jan. 1, so Col. H. P. Dunham of Connecticut, second vice-president, will soon be head of the organization. W. C. Safford of Ohio, who is leaving his position next Saturday, introduced his successor, William A. Doody, who has been deputy.

A joint meeting of the committee on unauthorized insurance, of which Commissioner Clark of Vermont is chairman, and the laws and legislation committee, of which Commissioner Read of Oklahoma is chairman, was held to draft some regulations, to be recommended to the state legislatures, dealing with unlicensed companies.

Adopted Taxation Report

At Wednesday's session the commissioners adopted the report of the committee on taxation of insurance premiums. It had gone on record twice before deprecating any increase of taxes on premiums. The report said:

"During the last session of the Ohio legislature a bill was passed raising the tax on insurance premiums in the state of Ohio from 2½ percent to 3 percent.

Having gone on record as above stated, it seems proper and fitting that this convention should once more clearly state our serious objections to such an act. We well know that the enactment of this law in the state of Ohio will be an added burden of indirect taxation on thrift and a discrimination against those who purchase insurance, not only in the state of Ohio but in other states on account of the retaliatory laws. We further know that this act will be pointed to and used as a precedent in other states.

Oppose Ohio Increase

"Resolved, that this convention of insurance commissioners assembled go on record as deprecating the act of any state legislature in increasing the rate of taxation on insurance premiums, as being discriminatory, unfair and unjust to the insurance public.

"Whereas, the legislature of the state of Ohio, in its last session, did make a decided increase in such taxes, therefore your committee recommends that a copy of this resolution be transmitted by the secretary of the convention to the governor of the state of Ohio, with the request that the same be presented to the next session of the Ohio legislature."

The committee on unauthorized insurance recommended that the West Virginia law be used as a basis and adapted as far as possible to the various states. Commissioner Cochrane of Colorado presented a recommendation that commissioners go abroad and study insurance systems in various countries especially classes not written here. The executive committee adopted it, with the proviso that the organization be not be obligated by any expense.

MARTIN AGAIN CHOSEN TO HEAD FEDERATION

Discuss Insurance and Fire Protection on Pennsylvania Public Property

MADDEN OUTLINES PLANS

Pass Resolution Denouncing Tax Increase—Safford Speaks on Auto Compulsory Liability Insurance

FEDERATION OFFICERS ELECTED

President—Frank T. B. Martin, Omaha. Vice-Presidents—A. E. Childs, Columbian National Life; Wade Fetzner, Chicago; J. B. Levison, Fireman's Fund; O. G. Strong, Cleveland; J. H. Carney, Boston; T. B. Donaldson, Newark, N. J.; E. S. Lott, U. S. Casualty; W. M. Reid, Pittsburgh; George D. Webb, Chicago. Secretary—John T. Hutchinson. Treasurer—W. G. Curtis, National Casualty.

BY RALPH E. RICHMAN

NEW YORK, Dec. 12.—Encouraging organization reports and instructive addresses marked the annual convention of the Insurance Federation of America, held in the Astor hotel, New York, Monday afternoon and evening. President Frank T. B. Martin of Omaha opened the sessions with a brief address outlining achievements of the past year. He introduced Homer W. Teamer, secretary-manager of the Insurance Federation of Pennsylvania, as the first speaker.

Public Property Protection

Mr. Teamer's subject was fire protection for public property. He gave these reasons for the activity of the Pennsylvania federation in the direction of special handling of school property insurance: (1) The threat of a state fund for insuring such property; (2) a trend toward self insurance by school districts; (3) the necessity for educating school board members insurance-wise; (4), the need of centering responsibility among agents to obtain correct handling of school insurance.

School directors as well as an organization of permanent employees of school boards, the school board secretaries, have declared in favor of a state fund for insurance protection of Pennsylvania school buildings. A bill to carry out this plan has been prepared for introduction into the next legislature.

William M. Goodwin, local agent of Bethlehem, who followed Mr. Teamer, said it was hoped to educate a sufficient number of board secretaries to understand the fallacies and dangers of a state fund or self insurance before their next meeting in February, to prevent further endorsement by that organization. He predicted failure for the bill, even though school officials continued to support it.

Local agents should appoint a com-
(CONTINUED ON PAGE 50)

PUBLIC OFFICIAL BARRED AS EXCHANGE SUBSCRIBER

CAN'T INSURE IN RECIPROCATALS

Attorney General So Holds in Regard
to State-Owned Auto-
mobiles

INDIANAPOLIS, Dec. 12.—An investigation of the manner in which officials and department heads have insured state-owned automobiles has been begun by Commissioner Wysong following receipt of an opinion from Attorney General Gilliom, in which the insuring of this class of property in reciprocals was held unauthorized under the law.

"Public officials can not commit either themselves officially or their governmental units as subscribers to reciprocal insurance exchanges," Mr. Gilliom said. He added that the statute in question shows that the legislature did not intend to authorize the state or any of its subdivisions to come under the terms of the act. The reciprocal plan provided in the act, Mr. Gilliom held, is restricted to individuals, partnerships and corporations.

Public Official Not "Individual"

"A public official in his official capacity is obviously not an 'individual' within the meaning of said act," the opinion says. "Neither are governmental units 'partnerships' or 'corporations' within the meaning of the act."

"The ordinary sense of those terms itself excludes public officials and governmental units. And only a cursory inspection of the act is required to confirm the conclusion that public officials cannot commit either themselves officially or their governmental units as subscribers in the plan of insurance provided."

"For example, the act provides for the execution of indemnity contracts by subscribers through an attorney-in-fact acting under powers of attorney to be executed by each subscriber, which may include individuals, partnerships and corporations of other states and countries. The provisions of such powers of attorney and the scope of the attorney-in-fact's authority and the liabilities which may thus be incurred by the subscribers are not limited by the act. The attorney-in-fact may have his office in any state of the United States or in any foreign country. Provision may also be made for service of process on an agent in a foreign state or foreign country where a suit may arise on any contract executed by the attorney-in-fact so as to be binding on the subscriber in a suit in a foreign jurisdiction."

"It is entirely clear that the legislature had no intention to authorize the state or any of its political subdivisions, or any of its officials as officials to be placed in any of these situations. Had it so intended, if it be assumed the legislature would have power to so provide, it would unquestionably have used apt words so as to include public officials and governmental units and would not have restricted the plan to 'individuals, partnerships and corporations.'"

Mr. Wysong said the effect of the opinion would be to preclude all units of government in the state from insuring cars or any other property owned by the state in reciprocals. The commissioner said he would make a check to determine the number of machines and the state property, if any, that have been insured in reciprocals and that he would warn all department heads of the situation.

P. K. Barbee, 82, formerly a member of the old insurance firm of Barbee & Castleman, Louisville, Ky., died Sunday night following an illness of several months.

GENERAL COVER POOL STARTS WRITING SOON

TEN COMPANIES IN GROUP

Robert G. Clarke Is in Direct Charge
of Association's Activities, With
Offices in New York

NEW YORK, Dec. 12.—With a company membership of ten, the recently formed organization for writing general cover contracts plans to begin active operations by the first of the year. Robert G. Clarke, in direct charge of the association, with offices in this city, was recently a broker and prior to that was connected with the Glens Falls. He has made a special study of general cover contracts and is peculiarly well posted as to their workings. Because of the great amount of detail in connection with writing business of this character, several offices that have essayed to do it in times past have since retired from the field, while others have been unwilling to embark in it. They feel differently in the matter, however, when the operations are to be handled through a central office, thereby relieving them of the detailed labor, and enabling the determination of their approximate liability at any given date.

The companies associated in the movement include the Agricultural, American, Automobile, Boston, Glens Falls, Great American, Hanover, Phoenix of Hartford, Security and Springfield Fire & Marine. Each will underwrite a tenth of all accepted lines, the business to be solicited direct by the agents of each office. Mr. Clark will act for all of the companies in connection with general cover lines.

The Interstate Board, a divisional enterprise formed by the Eastern

(CONTINUED ON PAGE 8)

COMPLETE ORGANIZATION OF U. S. FIDELITY FIRE

NAME OFFICERS, DIRECTORS

Subscriptions for Entire Capital and
Paid-in Surplus of New Company
Accepted

BALTIMORE, Dec. 13.—The new United States Fidelity Fire held its first meeting Friday, at which the organization of the company was completed.

Officers of the company elected are: R. Howard Bland, president; F. A. Ganter, vice-president and general manager; J. Tabb Robertson, vice-president; Carl Ross McKenrick, secretary-treasurer.

Members of the board of directors are J. Henry Bartlett, George M. Shriver, Charles B. Gillet, John M. Dennis, Edwin W. Levering, Jr., Robert D. Bartlett, W. W. Symington, Allan L. Carter, Charles B. Alexander, J. Kemp Bartlett, Jr., Austin M. Lanan, George S. Jackson, Charles H. Knapp and Sidney Hall.

Entire Capital Subscribed

Subscriptions for the entire capital and paid-in surplus of \$3,000,000 were accepted, and the balance of stock to be offered to prospective agents and others was underwritten.

The United States Fidelity & Guaranty had already voted to purchase 50,000 shares of the capital stock of the United States Fidelity Fire of the par value of \$10 per share, at \$40 per share. Stockholders of the United States Fidelity & Guaranty, of record as of Jan. 15, 1929, will have pro rata rights to purchase from the company 25,000 shares of the capital stock of the United States Fidelity Fire, such rights to expire Feb. 15.

NEW UNDERWRITING POOL ENTERS AVIATION FIELD

BRINGS THIRTEEN COMPANIES

Marine Office of America and Chubb &
Sons Form Associated Aviation
Underwriters

NEW YORK, Dec. 12.—Formation of a new aviation insurance pool, bringing 13 new fire companies into this field, is announced here this week, Chubb & Sons and the Marine Office of America joining in the formation of an underwriting office to be known as the Associated Aviation Underwriters. This has been under consideration for some time and several of the participating companies have been ready to undertake this new class of business, but the preparatory steps were taken carefully and the office is launched with an idea of conservative development of this important new branch of insurance.

Write All Classes

All classes of aviation insurance will be written by the new office, fire, theft, damage, liability and the other necessary forms of protection for air risks. It starts off auspiciously, representing 13 of the strong fire companies which are already firmly entrenched in marine insurance through the two pools of Chubb & Sons and the Marine Office. The companies brought in by the Marine Office are the American of Newark, American Eagle, Continental, Fidelity-Phoenix, Firemens, Glens Falls and Hanover. Those brought in by Chubb & Sons are the Federal, the Sea of England, the Marine, London Assurance, Hartford and Alliance Assurance.

Smith in Charge

Alvin W. Smith will be in charge of aviation underwriting for the Associated Underwriters. Mr. Smith is a keen student of aviation hazards and has flown for over 10 years. During the war he was a lieutenant in the navy and since the war he has continued his flying, covering all sections of the country. For the past two years he has been with the airways division of the department of commerce, laying out airways throughout the country and thus well versed on flying conditions throughout the country. He resigned this work to join the new aviation pool.

This brings the fourth large aviation pool into the field and greatly expands the facilities for such risks. Those already aggressively established are: Barber & Baldwin, the pioneer office and now also linked with the Aero group; William H. McGee & Co., representing the Transportation group; United States Aviation Underwriters, representing eight of the leading fire and casualty companies. In addition, there are many companies operating individually, assuming their own risk, though utilizing the reinsurance market.

The pool will likely begin writing early in January. The casualty features will be handled by the Glens Falls Indemnity, though whether singly or in cooperation with other offices has not yet been said. The indemnity company is working out the details and likely will be prepared to make them public later.

Louisiana Commission in N. Y.

NEW YORK, Dec. 12.—The insurance commission of Louisiana is in New York this week. This is the state body that has authority over fire insurance rates. The members are J. D. Saint, chairman; R. L. Walmsley and C. C. Farrell. John X. Wegmann, president of the Lafayette Fire of New Orleans, who is also president of the Louisiana Rating Bureau, accompanied the commission. They are taking up with the National Board some points on rating and classification over which there is a dispute.

CONDENSED NEWS OF THE WEEK

National Convention of Insurance Commissioners will hold next annual meeting in Toronto. **Page 3**

The Insurance Federation of America met in New York this week and elected President Martin. **Page 3**

Representatives of the National Association of the Insurance Agents and the National Board conferred this week in New York. Held mid-year meeting in Birmingham. **Page 10**

Demoralization is feared in the eastern automobile situation unless E. U. A. acts. **Page 5**

The Bankers Fire & Marine is being organized in Birmingham, Ala., by Frank N. Julian. **Page 6**

New organization for writing general cover contracts expects to begin operations by the first of the year. **Page 4**

Indiana attorney-general holds that state owned automobiles and other public property can not be insured in reciprocals. **Page 4**

Formal organization of new United States Fidelity Fire of Baltimore is completed. **Page 4**

Hearing on fire insurance rates in Virginia is continued to Dec. 20. **Page 6**

Cook county field men back Chicago Board on rules and commissions. **Page 5**

Commissioner Dumont of Nebraska applauds work of insurance federations. **Page 8**

Chicago case shows dangers of membership in inter-insurance exchange. **Page 14**

Eastern Underwriters Association meets to settle difficult problems. **Page 5**

Utah State Association of Fire Insurance Agents meets in Salt Lake City. **Page 6**

Transcontinental establishes western department in charge of G. H. Bell. **Page 5**

New arrangement made by commissioners' committee for sending out data on valuation of securities. **Page 6**

General Manager Leslie reviews activities of the National Council on Compensation Insurance. **Page 41**

Progress toward solving Chicago fidelity and surety acquisition cost problem is reported. **Page 41**

Commissioner Safford of Ohio scores compulsory automobile liability insurance at Insurance Federation meeting. **Page 44**

Wade Fetzler reelected president of Casualty Information Clearing House. **Page 41**

George E. Turner raps government meddling in business and urges coordination of insurance forces against it. **Page 42**

Final notice for filing of claims against Chicago Bonding given by receiver of American Bonding of Sioux City. **Page 43**

Much interest is being shown by casualty company officials over the selection of a successor to Superintendent Beha. **Page 43**

Car Owners Mutual has been declared insolvent by the master appointed by the Massachusetts judicial court. **Page 43**

New Hampshire auto rate controversy has been settled. **Page 42**

Frank L. Maguth says forgery line is easy to sell. **Page 42**

Resolution providing for standardization of the disability clause presented at commissioners' meeting. **Page 43**

Turmoil in Massachusetts agency ranks over compulsory insurance commissions. **Page 46**

COOK COUNTY FIELD MEN BACKING BOARD

Rousing Meeting of Special Agents
Held to Consider
Commissions

ATTENDANCE IS HEAVY

Resolution and Pledge Card Are Being
Given Consideration—Club
Is Reviving

Cook county field men, including almost the full membership of the Cook County Field Club, meeting at the call of the Chicago Board this week, expressed their intention to stand solidly behind the board in the enforcement of the new commission and brokerage schedule and to work with the board on any other matters affecting the ethical conduct of the business in the county. Almost 200 field men, with a scattering of managers, attended the meeting, which was addressed by Ernest Palmer, manager of the board; Charles R. Tuttle of the North America, and W. A. Chapman of the Fireman's Fund.

Mr. Palmer, who expressed satisfaction with the turnout and with the spirit of cooperation expressed, impressed it on the special agents that they can do much for the business by acting as missionaries for the new rules and for ethics in the business generally among the outside agents.

Resolution Vigorous

Following the full meeting the Cook County Field Club held a special meeting for the purpose of considering the following resolution:

Whereas, by decisive majority vote the members of the Chicago Board of Underwriters have passed the amendments to the by-laws providing for stabilization of the commission situation in Cook County, to be made effective Jan. 1, 1929, and

Whereas, the members of the Cook County Field Club, because of their intimate contact with Class 2 agents, are in a position to exert the strongest influence in making the rules effective, therefore,

Be it resolved, that we, as members of the Cook County Field Club, individually and collectively pledge our un-

E. U. A. HOLDS ANNUAL MEETING IN NEW YORK

IMPORTANT ISSUES AT STAKE

Expect Bissell to Tell Condition of "Excepted Cities" in His Presidential Review

NEW YORK, Dec. 12.—Following a meeting of the executive committee of the Eastern Underwriters Association this morning, the annual gathering of the organization is scheduled to take place at the Waldorf-Astoria this afternoon, to be followed by a banquet in the evening. The general meeting should prove of exceptional interest, for the agenda provides for consideration of the highly important automobile situation; the solution of present difficulties in the department having a pronounced influence upon the closely related fire line. What the decision of the association will be remains to be seen. It is expected that the special committee dealing with the automobile problem, of which body Sheldon Catlin, vice-president of the North America, is chairman, will submit its report, and presumably this will include recommendations for restoring order from the present threatened chaos in the Eastern automobile field.

It is anticipated further that President Bissell, in his review of the major activities of the association for the past 12 months, will tell of the condition in the "excepted cities" as well as in the "ordinary territory" and will outline the program of the body for the new year. While the report of the nominating committee will not be submitted for several hours after this time of writing, it is generally expected that continuation of the present officers for another 12 months, should they be willing to so serve, will be recommended.

Edward Milligan, president of the Phoenix of Hartford group and chairman of the eastern conference committee on Pacific coast affairs, it is anticipated will make a general statement concerning underwriting conditions in the west coast territory as gleaned during the recent visit of the committee to that field.

qualified support to these rules, and our wholehearted cooperation with the management of the Chicago Board of Underwriters.

Open discussion of the commission rules and regulations was held in the

(CONTINUED ON PAGE 40)

WESTERN DEPARTMENT FOR TRANSCONTINENTAL

BELL TAKES OVER TERRITORY

Eastern and Southwestern Business Will be Supervised from Hartford—Retain Close Alliances

Effective Jan. 1, the business of the Transcontinental of New York for central western territory will be under the supervision of George H. Bell, manager for the National of Hartford group of companies, with which the Transcontinental is affiliated. The eastern and southwestern territory will be supervised from the executive and administrative office of the Transcontinental at Hartford.

This new supervisory arrangement has been effected with a view to making available to Transcontinental agents the larger capacity and broader service of the National Fire group, and in that respect materially increase the value of the Transcontinental to its agents.

Behrens Makes Comment

The close alliance which has existed for some time between the National Fire, Transcontinental, Continental Casualty of Chicago and the National Casualty of Detroit will continue to be maintained for the benefit of their agency representatives. In recognition of the continued value of this arrangement to Continental and National Casualty agents, President Herman A. Behrens of the Continental comments: "We of the Continental companies are much pleased over the decision of the executives of the National Fire interests to supervise directly the business of the Transcontinental to furnish fire insurance better and greater facilities, thereby strengthening the purpose of the transcontinental to furnish fire insurance facilities to Continental Casualty agents."

Establish Cook County Department

At the same time there is announced the establishment of a Cook county, Illinois, department for the National Casualty of Detroit, under the direct supervision of Manager George H. Bell. Mr. Bell will be assisted in the direction of the department by G. W. Murbach, as superintendent. Mr. Murbach is an experienced and capable casualty underwriter, thoroughly familiar with Chicago conditions, and for a long time was connected with the Employers Liability in that city.

FEAR|DEMORALIZATION IN AUTO INSURANCE

Unless E. U. A. Can Agree
on Policy Evil May
Result

LOWER RATES JUSTIFIED

Casualty Men Hampered in Determining
Collision Rates by Travelers'
Withdrawal From Bureau

NEW YORK, Dec. 12.—There is no disguising the fact that the automobile insurance situation throughout the eastern jurisdiction is in a critical situation, and unless the Eastern Underwriters Association at its annual meeting, scheduled to take place this afternoon, can agree upon a course of action that will successfully cope with the basic evils of the business, a period of demoralization may result. Finding itself unable to deal with the situation because of the free lance activities of certain members of the Eastern Underwriters Association, the Eastern Automobile Underwriters Conference at its annual gathering some weeks ago named a special committee to take up the matter with representatives of the fire organization, with a view to enlisting the aid of that body.

Fire Men Concerned

It was pointed out that the fire men are as vitally concerned in establishing correct practices in the automobile line as are the automobile underwriters, in that through the granting of excess commissions on automobile business the free lance institutions were able to induce the flow to their respective offices of a considerable volume of choice fire risks as well.

Prepared to Go Farther

It is reported that members of the Eastern Automobile Underwriters Conference are prepared to go still farther, by reducing their rates as well as increasing commissions, and to do this throughout the entire field under their jurisdiction. The secretaries of the automobile conferences of the country have been in session at Atlanta, preparing

(CONTINUED ON PAGE 40)

COMMISSIONERS CONVENTION OFFICERS AT NEW YORK MEETING



CHARLES R. DETRICK
President of Convention



JAMES A. BEHA
First Vice-President



HOWARD P. DUNHAM
Second Vice-President



JOSEPH BUTTON
Secretary

UTAH AGENTS FAVOR FIRE MARSHAL LAW

ASSOCIATION HOLDS MEETING

Report Improvement in Utah Conditions
—Trace A. Turner of Ogden
Elected President

SALT LAKE CITY, Dec. 12.—A vigorous address by Fire Chief Walter S. Knight of Salt Lake City in favor of a state fire marshal law was one of the features of the annual convention of the Utah State Association of Fire Insurance Agents held here last week. It was felt that there is little doubt that a fire marshal bill will be introduced in the legislature when it meets the early part of January. The convention was called to order by President James Rogers of Salt Lake City, who presided. Mayor John F. Bowman of Salt Lake City in the course of a welcoming address took occasion to comment upon this city's fire loss and to state that further fire protection will be available shortly for the east bench section.

McQuarrie Speaks

One of the first speakers was Commissioner John G. McQuarrie. He strongly endorsed the proposed fire marshal law.

In his address Chief Knight declared that he wanted to see arsonists prosecuted more than at present. He said that 75 percent of the fires are caused through carelessness with the remaining 25 percent preventable. The fire official said the state fire marshal must be a civil servant, not a politician.

T. H. Anderson, chairman of the states committee of the Pacific Board, discussed operations of the board and observed that conditions in Utah were better than the average. Mr. Anderson commented upon the national trend toward reduction in fire premium incomes and said there would be a further big reduction this year. He pointed out that the present great prosperity of the country was not of such a nature as to build up fire premium incomes. He declared that the agents writing casualty lines had considerable scope for increased business. The heavy taxes the insurance business must pay over and above the costs of maintaining departments to regulate it, Mr. Anderson said, was unfair to the assured.

Reports on Activities

Eugene D. Amott, secretary-treasurer, gave a report on the activities of the association during the past year. Other speakers included Harry Badger, secretary of the Pacific Board, and B. O. Seibach, member of the states committee of the board.

The round table discussion was largely occupied by a discussion of a relief in rates for city workers who own two or three acres on the outskirts of town and must be regarded as farmers when making application for insurance. It was held that a man should have more land than this before being treated as a farmer. It was decided to take up the matter with the Pacific Board. A few experiences with cut rate underwriters were also related.

Pass Resolutions

The resolutions passed favored a state fire marshal law and a larger appropriation for support of the state insurance department. Three committees were appointed, one to consider the question of maintaining a full time secretary for the association, another to advise the governor on appointment of a state insurance commissioner when the term of the present commissioner expires, and a third to deal with legislation.

New officers were elected as follows: Trace A. Turner, Ogden, president; Robert S. Curtis, Provo, vice-president;

VIRGINIA COMMISSION PROBES FIELD EXPENSE

TO RESUME HEARING DEC. 20

Standard Profit Formula Attacked by
State Attorney in Examination of
H. M. Hess

RICHMOND, VA., Dec. 12.—The Virginia fire rate inquiry before the state corporation commission will be resumed Dec. 20. It was adjourned over until that date following a session of several days last week. Harold M. Hess, actuary of the National Board, key witness for the companies, was on the stand most of the time at this session. In his opinion, the prevailing rates are fair and reasonable and should not be disturbed. He was cross-examined at length by Braden Vandeventer, special counsel for the people, whose line of questioning had to do principally with the method of computing underwriting profit. His idea was that the standard profit formula, which does not take income from investments into consideration in computing underwriting profit, is all wrong.

Field Man's Work Described

At the conclusion of the examination, Ed Witt, Virginia state agent for the New Hampshire, was called to the stand. He explained in detail the work of state and special agents who supervise Virginia for their respective companies. He said that they make a practice of visiting local agencies in all parts of the state at least twice a year. In the larger communities, the visits are more frequent. Of course this entails some expense but it is considered an absolutely essential part of the cost of acquiring business under the prevailing local agency system and can not well be dispensed with. In response to questions from the bench as to expenditures for entertainment, he explained that it was considered a legitimate expense, chargeable to the company, for a special agent to have a local agent to dinner with him some times. Not infrequently, he said, the local agent plays host, entertaining the special agent at his home. As far as possible, he believed the special agent tries to keep his expense account within reasonable limits.

One More Witness for Companies

Attorney Vandeventer had to leave for his home in Norfolk before Mr. Witt took the stand. It was announced that the attorney would be given opportunity to cross-examine him when the inquiry is resumed. It was also announced that the companies have only one more witness to put on. He is George L. Doscher, of Joseph Froggatt & Co., public accountants of New York. Mr. Doscher will tell how the companies keep their books and arrive at their figures.

Attorneys representing the companies at the hearing are Samuel W. Zimmer, president and general counsel of the Petersburg Fire, and Jordan Leake, general counsel for the Virginia Fire & Marine.

Eugene M. Cannon, Salt Lake City, secretary-treasurer; J. Francis Fowles, Ogden, Utah committee.

The annual banquet was held in the evening. J. Francis Fowles acting as toastmaster. The speakers included Public Safety Commissioner Burton of Salt Lake City and Hamilton G. Park, state senator.

Grider Insurance Club Speaker

Cleveland, Dec. 12.—The Insurance Society of Cleveland held the second of its monthly meetings Tuesday evening. The gathering was addressed by Harry L. Grider, local manager of the Western Factory. His subject was the "Application of the Policy Contract."

BIRMINGHAM PLANS TO ORGANIZE NEW COMPANY

JULIAN HEADS ORGANIZATION

General Securities Company Backs Proposed Bankers Fire & Marine—
Julian Resigns Position

BIRMINGHAM, ALA., Dec. 12.—A movement is on foot here to organize a new fire insurance company, the Bankers Fire & Marine, which will have its office in the Jackson building.

Frank N. Julian, who since retiring from the insurance commissionership of this state, has been vice-president of the Union Life of Rogers, Ark., is to head the organization as president. Mr. Julian has resigned his Arkansas position and will locate here the first of the year. He is in New York this week attending the insurance commissioners' meeting. It will be up to Mr. Julian to select the underwriter and office staff. He thus returns to his old state, which



FRANK N. JULIAN

loves him and which he has served so well.

The new company is backed by the General Securities Company of this city, a holding and financial enterprise that has organized cotton mills and other activities. The Bankers proposed a \$1,000,000 capital and like amount of surplus. It will start, however, with \$300,000 capital and like surplus. The General Securities Company itself will immediately take \$100,000 of the stock.

The feeling is general that a large company will have an opportunity in the south. Birmingham is a thriving industrial city and has shown much activity in getting life companies started.

The organization committee of the Bankers consists of Sam C. King of Ensley, Ala., vice-president of the Bank of Ensley and a director of the Protective Life of this city; G. R. Harsh, a Birmingham attorney and a Protective Life director, and K. A. Conville, an investment man here. Charles E. Rice, a Birmingham attorney, is president of the General Securities Company; C. O. Yoakum, executive vice-president; H. K. Jefferson, vice-president; Mr. Conville, secretary, and E. R. McDavid, Sr., treasurer. Mr. McDavid is vice-president of the Protective Life. Mr. Jefferson is vice-president of the Genesco Corporation, as is Mr. Yoakum. The General Securities Company has a formidable list of stockholders.

Cosmopolitan Enters More States

Admission to Delaware and Florida has recently been secured by the Cosmopolitan Fire of New York, of which company James A. Blainey is vice-president and secretary.

NEW ARRANGEMENT MADE FOR VALUATION SERVICE

PUBLISHERS SEND OUT BOOKS

Will Be Furnished Not Only to Departments but to Companies That Want to Pay Charge

NEW YORK, Dec. 12.—Under the arrangement effected by the committee on valuation of securities of the National Convention of Insurance Commissioners with Poor's Publishing Company of this city, for valuing all securities as of Dec. 31, 1928, and for printing the convention valuation book, companies desiring to secure the information will be able to do so far more satisfactorily than has been the case in former years. While the general cost of the service will be defrayed by the committee on valuations as before, the entire distribution of the printed volumes will be undertaken by the publishing company, work that heretofore has devolved on the New York department.

Send Lists of Companies

To facilitate the mailing of the book insurance departments throughout the country have been asked to furnish the New York City office of the New York department with the name and address of each home company or society to which the work is to be sent, and to supply the information before Dec. 15. As fast as forms of the book are printed they will be furnished not only to the departments, but to such companies or societies as care to pay the charge imposed by the publishers for this particular service. As the charge is a modest one, doubtless many offices will take advantage of the opportunity to get the figures early, thus saving the time of having employees visit the department offices and there copy the data.

Asked to Send in Schedules

Each company and society is asked to send to the chairman of the committee on valuations, on or before March 1, a complete set of its Schedules C and D as of Dec. 31, 1928, in addition to the sets filed with the annual statement, using particular care "in furnishing complete and proper descriptions of all securities owned or held as collateral, especially the option dates and rates on bonds."

IS BLANKET BOND SURETY OR MARINE INSURANCE?

PHILADELPHIA, Dec. 12.—Does the bankers blanket bond come under the heading of surety business or is it, by virtue of its varied coverage, really a part of marine insurance?

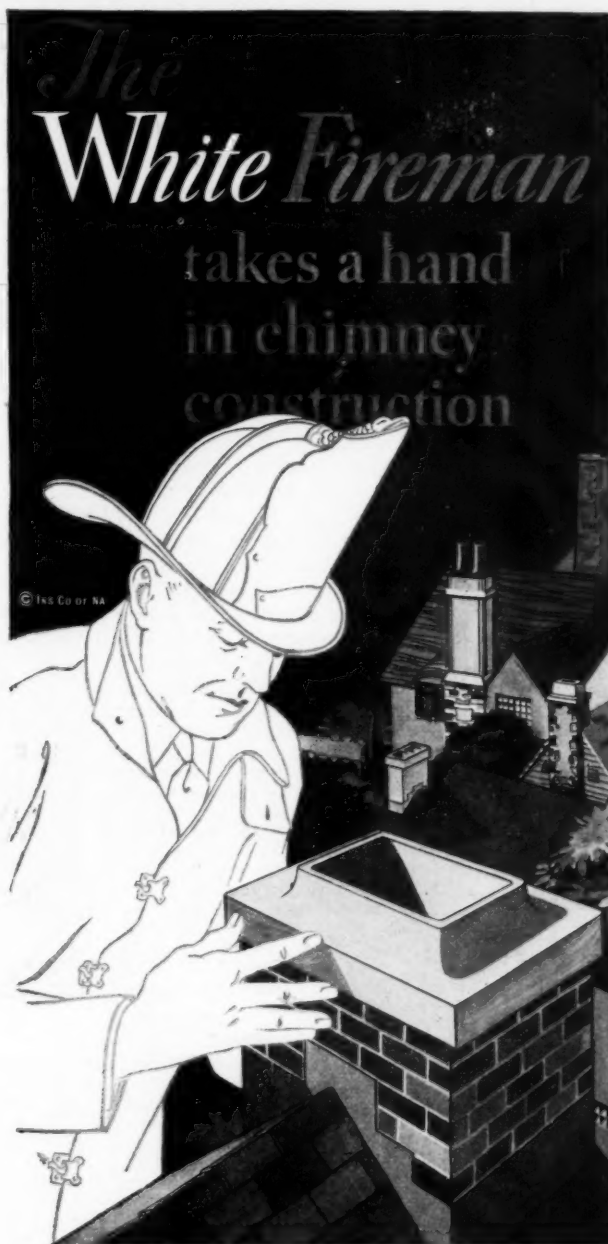
This question was one put before Commissioner Taggart for an answer at a hearing on the subject of whether brokers licensed in Pennsylvania are permitted to place excess bankers blanket bond business in unadmitted companies. Commissioner Taggart reserved decision in the matter and intimated that he would issue no ruling on the subject for at least three weeks.

The hearing was an indirect outgrowth of the recent discovery that many leading Pennsylvania banking houses had placed their bankers blanket bonds with London Lloyds through a Canadian agency.

John J. Appel Dead

John J. Appel of the local agency of Gregory & Appel, for many years a leading insurance agent in Indianapolis, died Monday night after an illness of only one week, an attack of influenza. With Fred A. Gregory he formed the Gregory & Appel agency in 1884. In 1916 Mr. Appel's son, Fred G. Appel, acquired the Gregory interests.

Daniel F. Appel, president of the New England Mutual Life, is a brother.



THE interest at 5% on a half-billion dollars is the amount that faulty chimneys and flues add to America's annual fire loss.

Knowing this loss to be strictly preventable, the White Fireman set about to find a remedy for the condition. Years of research work enabled him to prepare a practical ordinance for chimney construction, suitable for cities and towns of any size. After securing the general approval of architects, heating engineers and building material manufacturers he started his efforts to have his ordinance adopted by city governments.

The White Fireman's work is being justified by the daily increase in the number of municipalities which are writing the ordinance upon their statute books. It appears certain that his principles of chimney construction will become generally accepted throughout the United States. Thus, this one phase of the White Fireman's loss-prevention work will be instrumental in wiping out one of the greatest causes of preventable fire loss.

THE White Fireman symbolizes the Loss-Prevention Service supported by insurance companies. This service includes: Consultation on proposed structures, that they may be as fire-safe as possible. Inspection of property, with recommendations for the reduction of fire-hazards. Maintenance of the Underwriters' Laboratories for the testing of building materials, the practical trial of fire-extinguishers and other protective equipment, the examination of electrical apparatus and materials. Various other kinds of technical assistance for the furtherance of property conservation. The North America Agent will tell you how to secure this valuable service.

**Insurance Company of
North America**
PHILADELPHIA
and
**Indemnity Ins. Co. of
North America**

write practically every form of insurance except life
The Oldest American Fire and Marine Insurance Company—Founded 1798

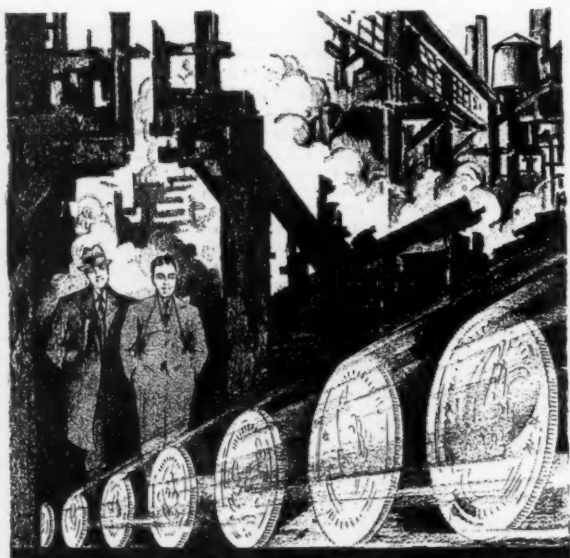
Property Owners may Secure Loss-prevention Service through Responsible Insurance Agents

The advertisement reproduced above appears in The Saturday Evening Post for December 8th and the American Magazine for December.

Combating the menace of defective chimneys—the cause of an annual \$25,000,000 property loss to the American public—has been no small task. The National Board of Fire Underwriters spent years in developing new chimney specifications and in embodying them in a workable civic ordinance. Even when all this had been accomplished, there still remained the important work of “selling” the ordinance to City Fathers throughout the United States. The result of the National Board's efforts in this direction have been most gratifying.

The advertisement reproduced above tells the story to the general public. The White Fireman, of course, represents in this instance the National Board of Fire Underwriters.

Through the advertising of the Insurance Company of North America featuring the work of various loss-prevention organizations supported by insurance companies, millions of American property owners are learning about the great conservation work being done by insurance companies. They are seeing a side of the insurance business which to them is new. The result of this presentation of facts is certain to be increased public good will for insurance companies and their agents.



The Profits Keep Rolling In

THERE are two things that neither fire, explosion nor windstorm need destroy.

One is the ability of an established concern to continue to pay dividends in the event of such disaster and the other its faith in the insurance agent who provided Use & Occupancy Insurance.

With that coverage, the profits that would have been earned, had no casualty occurred, can be kept rolling in, essential salaries continued, and credit maintained, thus protecting Stockholders and demonstrating the sound business judgment of the executive.

No other form of insurance affords greater opportunity to render valuable service to your clients, and the sale of Business Interruption Insurance will create confidence and establish business friendships that will tend to keep the profits rolling into your office.

**THE LIVERPOOL
AND LONDON
AND GLOBE
Insurance Co Ltd**

80th
Year in the
United States

Executive Offices: 1 Pershing Square
Park Ave. at 42nd St., New York, N. Y.
Pacific Coast Dept., San Francisco, Calif.

THE NATIONAL INSTITUTION WITH A WORLD WIDE BACKGROUND

COMMISSIONER DUMONT LAUDS FEDERATION

Speaks at Annual Meeting of
Body in New York City
December 10

RECOUNTS BENEFITS

Sees Work of Organization as Force
Operating to Prevent State
Insurance

NEW YORK, Dec. 12.—Speaking before the annual meeting of the Insurance Federation of America on "Relations Between State Departments and State Federations," Commissioner Dumont of Nebraska said from his experience of personal contact with the federation work in Nebraska he felt certain that no commissioner will ever be embarrassed by its officers or employees, and will many times find its assistance invaluable in helping him to conduct his office for the best interests of the insuring public. So long as the federation lives up to its high ideals of unselfish service, no state department need hesitate to cooperate with it.

Mr. Dumont said he had been present at many legislative hearings attended by federation representatives, and has yet to hear one suggestion which savored of selfish gain. All bills are analyzed and judged primarily from the standpoint of fairness to the insuring public. He expressed the wish that other state departments had the benefit of such an organization.

Expresses Agreement

Entire agreement with various aims of the federation was expressed by the Nebraska commissioner. He stressed his belief that if all insurance departments could be entirely freed from political influence, one of the aims stated, the insuring public would be better served. Mr. Dumont said that any commissioner who has ever given any study to the miserable failures of state owned and operated insurance schemes can find no fault with the attempt on the part of the federation to hold the citizens free from such costly adventures. He said the advocate of government control and monopolies is either sublimely ignorant or should be classed with second story men. Insurance is a selective, competitive business which is entitled to a fair return and profit. That is a condition that cannot be preserved under state insurance.

Those who want the state to enter business are either men who will not meet the requirements of the companies or who, for one reason or another, cannot get coverage, and those business men who, arrogating to themselves the right to fix the prices of what they have to sell on the basis of reasonable cost, claim that rates made on exactly the same bases are too high and unreasonable.

Selection Is Defender

Mr. Dumont said that if the companies were forced to take every risk offered, as would a state monopoly, with no right of selection, at a price fixed by the state, insolvency would be rampant. Let the state do this and the cost would be greater than is now complained of. A lower rate cannot possibly be charged if the principle of selection is discarded. It is the first step towards socialism when it is insisted that the citizen who will not put his property in an insurable condition should be taken care of at the expenses of careful men.

"Whenever the state has had to com-

pete with private insurance companies, I am reasonably sure," he said, "that the selection will always be against the state, as it will invariably get those risks which the companies have refused, those who claim the rate is prohibitive, and those who claim any rate is too high and unreasonable. In the case of automobile coverage, this will include careless drivers, bootleggers, and such.

Bureaucracy Would Result

"In addition to all these results, there still remains a greater curse from government control of business, namely, establishment of bureaucratic supervision. This has always proven to be a political plum tree and exceedingly expensive to the average citizen. If the insurance commissioner desires honestly to serve the public he need not hesitate to stand shoulder to shoulder with the state and national federation of insur-



JOHN R. DUMONT

ance, which battle against such socialistic efforts."

Mr. Dumont gave approval to the federation plan of fostering insurance days because of the favorable public opinion they create. Public opinion has the greatest influence on legislation, law-making and defeating unsound proposals. It can be created by proper publication of interesting insurance news, by agents and company officials through their daily contact with the public, by organization of county groups and by cooperation with other business and civic organizations.

GENERAL COVER POOL STARTS WRITING SOON (CONTINUED FROM PAGE 4)

Underwriters Association a year or more ago, but which has not yet begun to function, will, when it gets under way, be responsible for the preparation of rates and forms for general cover business, but will have nothing to do with the solicitation of risks.

Mutual Officers Meet

NEW YORK, Dec. 12.—The governing committee of the American Mutual Alliance met in New York this week. The committee here consisted of P. J. Jacobs, Hardware Dealers Mutual of Stevens Point, Wis.; W. H. G. Kegg, Lumbermen's Mutual of Mansfield, O.; C. A. L. Purmort, Central Manufacturers Mutual of Van Wert, O.; P. W. A. Fitzsimmons, Michigan Mutual Liability; F. S. Danforth, Millers National of Chicago; G. A. McKinney, Millers Mutual of Alton; B. S. Flagg, Merrimack Mutual, and S. Bruce Beand, Liberty Mutual. Last week Secretary A. V. Gruhn had a meeting of the mutual casualty officials to consider compensation rates.

SENTINEL FIRE INSURANCE COMPANY SPRINGFIELD, MASSACHUSETTS

GEORGE G. BULKLEY, PRES. HANDING & LINING MGRS., CHICAGO. GEORGE W. DORNIN, MGR., SAN FRANCISCO



He is safe from danger who
is on guard even when safe.



BE CONFIDENT

WHEN the time for the renewal draws near—**BE CONFIDENT.** Your assured is going to be well satisfied with the protection and service he has received, and he will gladly renew his policy with you.

You can be quite sure of that, because the **ATLAS** places these advantages in your favor:

- (1) Every automobile insurance coverage in one policy.
- (2) The sure protection of a stock company.
- (3) Prompt and friendly service by a company that specializes in automobile insurance exclusively.

Those three factors are strong arguments for warding off competition—and they are three reasons why your assured will always be satisfied with your service.

For your own consideration, there is also the "different" **ATLAS** agency contract—a source of greater income to you—because it pays you in exact proportion to the quality of the business you write.

As this friendly company invites you to inquire further into what it can do to help your agency progress and profit—why not sit down right now and write for complete information?

This completes the series of four advertisements. Other advertisements will follow every two weeks.

Atlas

Casualty Company

EXECUTIVE OFFICES
Fort Wayne, Indiana

OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN,
MISSOURI AND PENNSYLVANIA

ASSOCIATION OFFICIALS CONFER WITH BOARD MEN

SEEK BETTER RELATIONSHIPS

President DeVan and Executive Committee Meet in New York—
Birmingham Gets Meeting

NEW YORK, Dec. 12.—Birmingham, Ala., was chosen this week as the mid-year meeting place of the National Association of Insurance Agents by the officers and executive committee. The meeting will be in March, but the exact date has not been set. Charles L. Gandy, member of the national executive committee and president of the Alabama association, resides in Birmingham and was largely influential in swinging the meeting to that city.

NEW YORK, Dec. 12.—The conference committee of the National Association of Insurance Agents met here this afternoon with the similar committee of the National Board.

This was the first meeting of the kind for a long time. An effort is being made to bring about a clearer understanding of relationships. The agency association established official headquarters at the Astor during the time the commissioners were meeting. Secretary W. H. Bennett being in charge.

President R. P. DeVan came on from Charleston, W. Va. Members of the executive committee present were: W. E. Harrington, Atlanta; Clyde B. Smith, Lansing, Mich.; J. W. Rose, Buffalo; E. J. Cole, Fall River, Mass. James L. Case of Norwich, Conn., a former president, was a prominent figure at headquarters. Former President Frank L. Gardiner came down from Poughkeepsie, N. Y., and accompanied the delegation to the Insurance Federation banquet.

Albert Dodge of Buffalo, president of the New York State Association, sat in with the committee Tuesday. There was much discussion over the installment premium plan to be inaugurated by the Travelers for automobile insurance. The agents are in doubt as to whether there is a public demand or just what the trend may be.

Wednesday evening the officers and members of the executive committee of the National Association of Casualty & Surety agents gave a dinner to the officers and committeemen of the National Association of Insurance Agents. W. G. Wilson of Cleveland, president of the casualty body, presided.

LOVELL WILL SERVE HIS SENTENCE FOR CONTEMPT

LINCOLN, NEB., Dec. 12.—H. H. Lovell, editor of the "Forum," an Omaha insurance publication, announces that he will not further contest the contempt charge on which the supreme court recently convicted him, but that on Jan. 5 he will present himself at the Douglas county jail with the proper mittimus entitling him to remain there for ten days. The court had given him 40 days, the usual time, for filing a motion for a rehearing, but the editor is doubtful whether this would do any good, and instead will take advantage of the 40 days respite to get his business in order. He has just got out the November issue, and announces that he will hurry up the next one so that his sojourn behind the bars will not interfere with his publication work. Mr. Lovell insists that he was not in contempt of the court and meant none towards it when in the article complained of he suggested what the people would be saying if prompt decision was not made.

W. R. Falkin Advanced

William R. Falkin has been elected an assistant secretary of the *Rossia*. He is the oldest employe in the service of

the *Rossia*, having joined the company Feb. 9, 1904, at which time the company was affiliated with the *Rossia* of St. Petersburg. When it became the *Rossia* of America Mr. Falkin became associated with the new organization. He was born and educated in New York City and went to Hartford in 1912.

A. G. Lyons

The D. Cliff Stone general agency at Nashville, Tenn., has arranged to have a full-time special agent in Kentucky after the first of the year, and has secured A. G. Lyons, who has been with the Fowler Insurance Agency of Louisville, to travel Kentucky. Mr. Lyons will maintain an office in Louisville.

Application for Agency

A field man in Indiana recently received the following application for an agency:

"Dear Sir i will write you a few Lines please Send Me all information aBout. -, - - - Fire insurance i want to Bee and agents for you Say Listen i want to write Fire insurance for your. Co. - - Bee and agents—for you in My Home town All information please"

Insurance Club to Meet

The Insurance Club of Chicago will hold its December meeting at the club rooms Tuesday evening, Dec. 18. Semi-annual reports of various departments of the club will be made showing the progress of the present officers and committees. Very attractive and unusual entertainment will follow the meeting and a large attendance is desired.

Hartford Board Nominees

When the Hartford Board of Fire Underwriters holds its annual meeting Jan. 8, officers for the new year will be elected. The nominating committee recommends the following slate: For president, Earl W. Goodell; vice-president, Harvey W. Tuttle; secretary-treasurer, E. S. Coles, Jr.; chairman executive committee, Tom W. Brown. It is probable that the creation of an advisory board, to be made up of former presidents, will be sanctioned. The business meeting will be followed by a banquet.

Enter Basketball League

Athletic employes of the western department offices of the Security of New Haven have organized a basketball team and have entered it in the Rockford, Ill., Commercial Basketball League. The team lost its first game by a very narrow margin, and won its second. Extra time was needed in the second game, as the score was tied when the whistle blew.

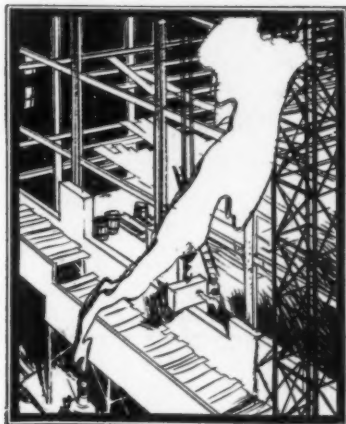
Longnecker in Cleveland

CLEVELAND, Dec. 12.—The Insurance Board of Cleveland held a well attended meeting last week at which J. W. Longnecker, advertising manager of the Hartford Fire, gave the principal address, in which he outlined the advertising campaign of the National Board. After he had explained the advertising program which is now in operation in four states, there was a discussion of methods which could be adopted by local agents in support of the National Board advertisements. Resolutions were adopted authorizing the secretary of the board to work out certain details in co-operation with Mr. Longnecker and also authorizing the trustees of the board to finance whatever program is finally approved by them. Through such measures the advertisements appearing in Cleveland newspapers will have the support of the Insurance Board.

Ohio Fire Marshal Candidates

The state fire marshal department of Ohio will probably be reorganized by the incoming Republican administration, and it is understood that about 25 applications for the position of state fire marshal have already appeared. One of the most promising of these is W. F. Wise, chief of the Medina, O., fire department. Chief Wise has been doing good work in the field of fire control all over the state. He has the backing of a number of insurance men who feel that he would do good work in the position.

Counselling the Contractor



Nº 10

of a series of
advertisements
having to do with
the Agent's part
in saving Life
and Property



*A reduced
number of losses
means
Lower Rates*

MANY of the largest, most desirable contractors on the books of bond agents today were small operators when the accounts were first secured. The agent can assist the contractor in wisely expanding his work and at the same time avoiding a number of pitfalls which have caused disaster to other contractors.

The agent should strive to secure the confidence of the contractor and should make him feel that the agent is his counsellor; for the agent, as a result of his experience, can give him advice which is well worth while.

One of the most frequent causes of trouble to contractors is over-trading. Another cause is failure to keep their assets in liquid shape where they can be readily converted into cash.

A number of contractors have experienced trouble by accepting preferred stocks and first and second mortgages as part of their compensation.

When a contractor contemplates bidding for a job in a territory where he has not done work before, he should use the greatest possible care to investigate all of the local conditions, particularly with reference to the labor supply.

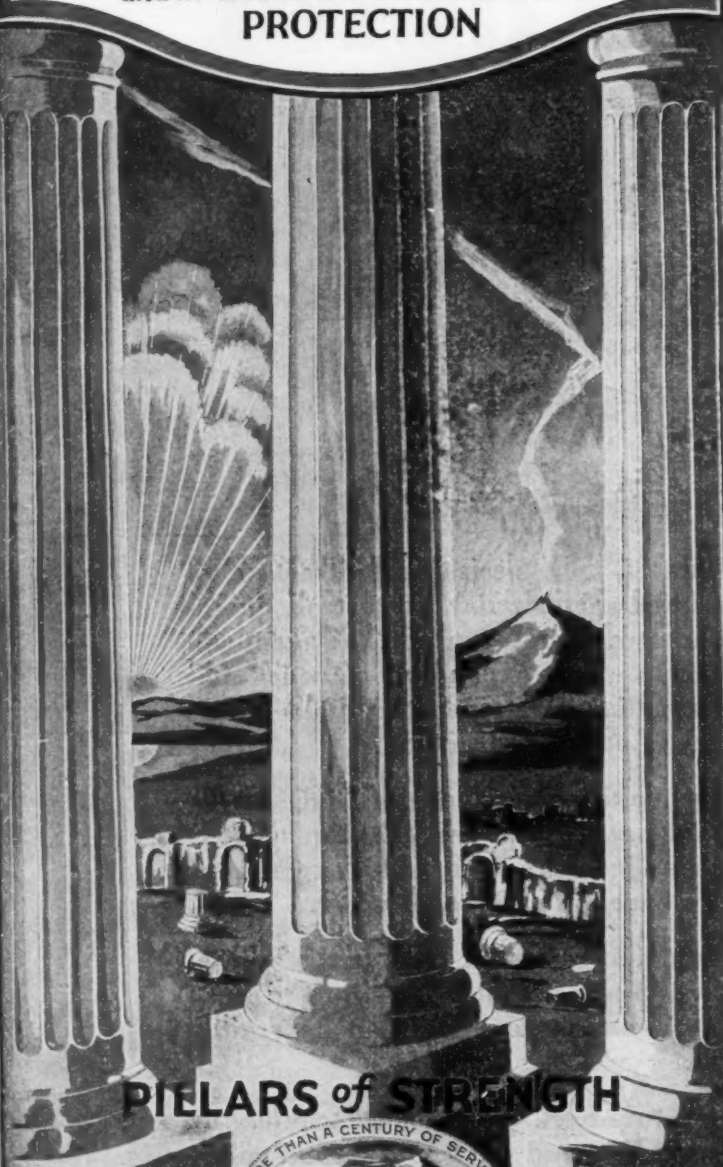
Contractors should carry all necessary insurance and in companies of undoubted stability.

Indemnity Insurance Company of North America

PHILADELPHIA

THE ÆTNA FIRE GROUP

Three Strong Companies
Providing Dependable Insurance
in FIRE and ALLIED LINES
and in CASUALTY and SURETY
PROTECTION



PILARS OF STRENGTH



ÆTNA
(FIRE)
INSURANCE COMPANY
THE WORLD FIRE &
MARINE INSURANCE CO.
THE CENTURY INDEMNITY CO

INSURANCE STOCK PRICES FOLLOW NEW YORK TREND

NEW ELEMENT ENTERS FIELD

General Investors Now Buying and
Selling These Stocks on Same
Bases as Other Securities

NEW YORK, Dec. 13.—A study of the insurance company stock quotations appearing on the Hartford, Philadelphia, Newark and New York City markets will disclose the regularity with which these follow the fluctuations of the New York Stock Exchange, prices of insurance shares advancing or receding measurably in keeping with the general trend of the "big board." While many insurance stocks are held by estates for income yield and these rarely change hands, it is likewise true that within the past few years a new element has entered the field and to a very large degree. That is the general investor who feels that money is to be made through the appreciation in shares of insurance corporations, and who buys and sells such stocks just as he does general securities. Bank statements in ever greater degree report loans on insurance stocks. The advances not infrequently are 80 percent of the market figures, indicating the degree of favor with which collateral of this character is held by financiers. One influence that makes for fluctuations in insurance company quotations is their frequent sale by investors to cover margins in other securities, which lack the stability of insurance stocks.

Investment Factor Important

Except in the event of a sweeping conflagration or a windstorm of hurricane proportions, the loss ratios of the standard fire companies are fairly stable and should not materially affect the value of their stocks. An important influence, and one that has a direct bearing upon the general prosperity of the corporations, or the reverse, is the character of their investments and the degree of skill with which these are selected. Under conditions that have existed in the stock market for the past three years, almost any class of securities bought with reasonable intelligence shows a profit, and in not a few instances a very handsome one. This, of course, redounds to the advantage of the insurance companies, and is largely responsible for the large surplus additions reported by the majority offices in 1927 and likely to be again shown for 1928.

Local Agents Heavy Buyers

Local agents throughout the country are heavy buyers of insurance company stocks, and, better informed than laymen, are investing in the shares of institutions with the managements of which they are familiar and in which they have confidence. While some companies discourage the idea of their local representatives becoming shareholders in their respective offices, fearing the effect of an unfortunate loss period would have upon business production, others strongly recommend such investment, maintaining that the greater the selfish interest of an agent in a company the more likely will he be to favor it with his desirable risks. Which theory will eventually prove correct remains to be seen. Sufficient time has not elapsed as yet to encompass both fat and lean years in the business, the great development in agency stock investment being of comparatively recent growth.

Livestock Plans Embryonic

PHILADELPHIA, Dec. 12.—The Indemnity of North America, which recently amended its charter to permit the writing of live stock insurance, announces that it will write this business only in conjunction with the marine

UNPROTECTED ELECTRIC BULB CAUSE OF BLAZE

REPORT ON KANSAS CITY FIRE

Inspection Bureau Finds Proper Precautions Might Have Presented Loss
to Wood Working Plant

The Kansas Inspection Bureau has issued a fire report on the fire which destroyed Building "A", the paint section of the A. B. Clippinger & Sons Manufacturing Company, of Kansas City, Kan., truck body, wagon box and miscellaneous wood manufacturers. There was no spray painting process in the building. The \$25,000 loss was caused when a workman accidentally struck a light globe with a scoop board under course of painting, the light being inadequately protected with an ordinary wire guard. A flash fire resulted, as the atmosphere was heavy with naphtha vapors from adjacent dip tanks.

Four companies responded promptly to the first alarm but the entire building "A" was involved, so that all effort was directed to prevent the fire spreading to the adjoining sections which were cut off by fire doors. Although handicapped somewhat by the lack of water, the main being a 6 inch dead end, the department was successful, these sections suffering only small damage, most of which was from water. The roof joist being fire-cut did not pull in the walls when the roof fell, the walls thus suffering little damage.

Had the electric lights been properly installed and guarded it is doubtful if a fire would have occurred. Automatic covers for the open dip tanks, incombustible drain boards kept clean of paint residue, and limited storage of excess naphtha in the building, unless properly buried, as well as adequate ventilation would have prevented the fire spreading so rapidly and would possibly have made it possible to save much of the building and contents involved, providing there had been adequate water supply. A large plain glass roof was broken by the heat, producing a draft which greatly increased the combustion.

department of the North America, and that its plans are still in an embryonic stage, pending the formulation of plans for writing this coverage by the North America.

Wichita Insurers' Meeting

WICHITA, KAN., Dec. 12.—At the regular bi-weekly meeting of the Wichita Insurers, L. B. Brown of the Anderson, Brown & Ginzler agency gave a report of the activity of the fire prevention and public safety committee of the Wichita Chamber of Commerce in connection with its safety work among industrial plants and with commercial drivers.

The association is investigating the proposition of maintaining an insurance booth at the annual Wichita automobile and airplane show with Shelby Holmes of the Dulaney, Johnson, Yankee & Priest Agency, chairman of the committee.

Plans were announced as under way for the annual winter party of the Wichita Insurers for their families and office employees, with Duane T. Stover of the Harris, Burns & Co. agency in charge.

Commend Safety Commissioner

BINGHAMTON, N. Y., Dec. 12.—James H. Andrews, public safety commissioner here, was highly commended on his work in public office, and his program of public safety endorsed, in a resolution adopted at the monthly meeting of the Binghamton Fire & Casualty Insurance Club Dec. 10. The resolution followed a talk by Mr. Andrews, in which he outlined the accomplishments and program of his department. Mr. Andrews is a former fire and casualty agent and adjuster.

AMERICAN EQUITABLE ASSURANCE CO., OF NEW YORK

July 1, 1928 Statement

ASSETS	LIABILITIES	CAPITAL	VOLUNTARY RESERVE	POLICYHOLDERS SURPLUS
\$8,506,689.00	\$3,980,598.46	\$2,000,000.00	\$1,000,000.00	\$4,526,090.54

BRONX FIRE INSURANCE COMPANY OF THE CITY OF NEW YORK

July 6, 1928 Statement

\$4,278,800.00	\$1,778,800.00	\$1,000,000.00	\$1,227,500.00	\$2,500,000.00
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BROOKLYN FIRE INSURANCE CO.

June 30, 1928 Statement

\$4,813,680.24	\$2,313,680.24	\$1,000,000.00	\$946,275.96	\$2,500,000.00
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GLOBE INSURANCE COMPANY OF AMERICA

PITTSBURGH, PA.

(INCORPORATED 1862)

July 1, 1928 Statement

\$1,404,028.52	\$683,072.90	\$300,000.00	—	\$720,955.62
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KNICKERBOCKER INSURANCE CO., OF NEW YORK

July 1, 1928 Statement

\$3,656,053.13	\$1,670,514.41	\$1,000,000.00	\$150,000.00	\$1,985,538.72
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MERCHANTS AND MANUFACTURERS FIRE INSURANCE CO.

NEWARK, N. J.

(CHARTERED 1849)

June 30, 1928 Statement

\$4,783,781.48	\$2,283,781.48	\$1,000,000.00	\$914,170.20	\$2,500,000.00
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NEW YORK FIRE INSURANCE CO.

(INCORPORATED 1832)

June 30, 1928 Statement

\$1,997,043.45	\$217,135.13	\$1,000,000.00	—	\$1,779,908.32
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REPUBLIC FIRE INSURANCE COMPANY

PITTSBURGH, PA.

(INCORPORATED 1871)

June 30, 1928 Statement

\$2,489,293.27	\$963,897.61	\$610,000.00	\$100,000.00	\$1,525,395.66
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SYLVANIA INSURANCE COMPANY OF PHILADELPHIA, PA.

July 1, 1928 Statement

\$4,788,572.60	\$1,788,572.60	\$1,500,000.00	\$1,199,877.04	\$3,000,000.00
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Classes of Insurance Written

FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMMOTION, TORNADO
AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY,
PROFITS, LEASEHOLD AND GENERAL MERCHANDISE FLOATERS

SOUND—PROGRESSIVE—EQUITABLE*These Are Our Keynotes*

We welcome and invite this class of agency representation.

CORROON & REYNOLDS, Inc.

92 WILLIAM STREET

Manager

NEW YORK CITY, N. Y.



COVERAGES EFFECTED

FIRE,
AUTOMOBILE,
TORNADO,
RENTS,
LEASEHOLD,
EXPLOSION,
RIOT and CIVIL
COMMOTION,
PROFITS AND
COMMISSION,
USE & OCCUPANCY

**AUTOMOBILE
FULL
COVERAGE**

Great strength behind the line of action of every army is essential to its success.

United with the parent company in one great organization—one in ideals, strength and purpose—dispensing that staunch service that has made the SUN the leader wherever insurance is sold, the PATRIOTIC offers its agents a connection that will open the doors of opportunity for them.

"Back of The Patriotic is The Sun."

PATRIOTIC INSURANCE COMPANY of AMERICA

HEAD OFFICE
55 FIFTH AVENUE, NEW YORK

OSWALD TREGASKIS, *President*

WESTERN DEPARTMENT
WRIGLEY BLDG., CHICAGO
JOHN F. STAFFORD, *Manager*

PACIFIC DEPARTMENT
SAN FRANCISCO
C. A. HENRY, *General Agent*

MEMBERS STARTLED BY LIEN ON REAL ESTATE

2830 Policyholders in Reciprocal
of Automobile Club Find
Property Tied Up

SUED ON REINSURANCE

Judgment in Amount of \$15,765 Effective
Against Each and Every
Defendant

Perils of membership in an inter-insurance exchange are illustrated by a judgment of \$15,765.53 recorded against each and every one of the 2,830 members of the Inter-Insurance Exchange of the Illinois Automobile Club in the circuit court at Chicago, Ill., by Judge Kerner on Nov. 13 last. The judgment was joint and several. In other words, any individual member was legally liable to have his property seized in satisfaction of the judgment. The judgment became a cloud on the title of every one of the members owning real estate. Not one of the members of the Inter-Insurance Exchange of the Illinois Automobile Club had the faintest idea when he took out his policy that it might render him liable for over \$15,000.

Not One Knew of Suit

The judgment was entered in the suit of the Ohio Millers Mutual of Columbus, O., against the Inter-Insurance Exchange, David Rosenbach, attorney-in-fact, Herman Abel and 2,829 other members of the exchange. The suit was for reinsurance premiums growing out of the reinsurance of the business of the exchange shortly before its failure in the Ohio Millers Mutual when that company was under the management of Joseph C. Adderly. The reinsurance premium was never paid and shortly after the transaction was entered into the exchange was placed for liquidation in the hands of the director of trade and commerce of Illinois.

The most striking thing about the judgment, aside from its effect on the title to real property held by members, is the fact that not one of the members knew that suit had even been brought, or that they were named as defendants in an action in the circuit court of Cook county. Under the law of Illinois, as well as under the provisions of the power of attorney, service in the suit was had upon the attorney-in-fact and also upon the director of trade and commerce. No one took the trouble to notify members. As the attorney-in-fact had no power under the liquidation order, no defense was made by him and the liquidator on behalf of the state apparently paid no attention to the suit. After waiting something over a year counsel for the plaintiff took judgment by default.

Could Not Guarantee Titles

The sweeping judgment against so many defendants, many of them property owners, caused some excitement. The first activity was immediately upon entry of the judgment when the Chicago Title & Trust Company telephoned counsel for the plaintiff to know if the judgment would stand. The Title & Trust Company wanted to know if it would have to "write up" all of the 2,830 judgments. The Title & Trust Company makes abstracts and guarantees titles. With the judgment in effect the Title & Trust Company would have to note this liability of \$15,765 whenever it passed upon the title to real estate held by any one of the 2,830 members. For its own protection it

would have to record this judgment against each one of the defendants named in the suit. It could not guarantee a title for any one of the members without excepting liability for this judgment, nor would it dare furnish an abstract without giving information of the judgment. Naturally a judgment of such size would stop any sale until the title was cleared.

Halted Loan Negotiations

The next call was from a lawyer whose client was negotiating a loan on first mortgage. The judgment was entered before the negotiations were completed and of course came to light in the examination of title. In this particular case the counsel for the Ohio Millers Mutual agreed to a stipulation deferring the judgment to the first mortgage, and therefore the member was able to complete his loan. This, however, was merely due to the courtesy of the counsel for the Ohio Millers Mutual.

Meanwhile news of the judgment began to circulate among the members and caused great agitation. Apparently a considerable number of them were on the point of selling property or negotiating loans and they were thrown into consternation by the effect of this judgment on their title.

Purmort Comes to Rescue

The excitement was so great that C. A. L. Purmort, who is now secretary of the Ohio Millers, intervened and a compromise was arranged. It was agreed with the liquidator of the automobile exchange, who is an official of the state of Illinois, and with the attorney-general's department that the judgment would be vacated upon the approval of the Ohio Millers Mutual claim against the defunct exchange in the liquidation. Mr. Purmort, who has rehabilitated the Ohio Millers Mutual since the change in control of that company, did not care to subject thousands of individuals and corporations to immense inconvenience, difficulty and expenses involved in the cloud on their titles and therefore directed that the proposals for vacating the judgment be accepted. Consequently the judgment was actually vacated on Dec. 6, and the members are now freed from the trouble and annoyance. An assessment will be levied by the liquidator to pay off the amount of the judgment and other claims.

Concern Felt by Trust Company

Even though the judgment has now been vacated it illustrates perfectly the dangers to reciprocal members. The watchfulness of the Chicago Title & Trust Company shows that the danger was real, while the necessity for the stipulation in regard to the first mortgage indicates the annoyance that would have been caused the members. If the counsel for the Ohio Millers Mutual had not been willing to defer the hold of the judgment on the property, the member seeking a loan would have been helpless. In fact, all real estate owned by all of the members would have been tied into a hard knot.

Where the Danger Lies

It is not likely that the property of any one of the members would actually have been sold to meet the judgment. The danger is that when a reciprocal gets into trouble some creditor may slip in with a judgment, just as was done in the case of the Illinois Automobile Club exchange and cause trouble for the members. The same thing was done in the case of the Cooperating Inter-Insurance which failed in Chicago and the members of which exchange woke up one morning in a similar situation to find a judgment on record against their property.

Court Gives Default Judgment

The case which resulted in the judgment against the members of the Automobile Club Exchange was brought by Bradley, Williams, Harper & Farrell, (CONTINUED ON PAGE 40)

FIRE — AUTOMOBILE — WINDSTORM — SPRINKLER LEAKAGE — MARINE



QUEEN

Ins. Co. of America

Queen Agents from ocean to ocean
are safeguarding with Good Insurance
the Capital and Savings represented
in the Industries, Commerce, and
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S. Y. TUPPER, MANAGER
ATLANTA

PACIFIC COAST DEPARTMENT
H. R. BURKE, MANAGER
SAN FRANCISCO

USE AND OCCUPANCY — RIOT AND CIVIL COMMOTION — PERSONAL EFFECTS FLOATER



trucks. In Brit the M Citroën Germ large only beca big cyc

our local Alliance Agent will help you keep in step with the modern trend toward the elimination of needless fire hazards

Millions of property owners are reminded of the Alliance Agent



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SAN FRANCISCO
231 Sansome Street

ATLANTA
8th Floor, Hurt Bldg.

F. N. DAVEY JOINING BARBER & BALDWIN

VICE-PRESIDENT OF GROUP

Will Have as His Especial Duty the Assisting of Agents and Brokers in Handling Aviation Lines

NEW YORK, Dec. 12.—Barber & Baldwin announce the appointment of F. N. Davey as vice-president of that corporation, and also as vice-president of the Aero Insurance Company and the Aero Indemnity.

Mr. Davey's special duties will be to assist agents and brokers in the handling of aviation insurance, and it is interesting to note that this is the first appointment of its kind. It is common knowledge among those who are dealing with the complexities of aviation insurance that a wide gap exists between the producer in the field and the underwriter, and Mr. Davey's well known enthusiasm for attacking difficult problems in a constructive manner will stand him in good stead.

He has devoted his entire business life to insurance, starting with the Travelers in Hartford 20 years ago. Sixteen years ago he entered the employ of Marsh & McLennan, and the past six years he has devoted a large part of his time to the handling of aviation risks on behalf of that firm, being in charge of the aircraft insurance department. Mr. Davey has travelled the entire country many times and has numerous friends in the insurance world.

In commenting upon the appointment, Maj. G. L. Lloyd, vice-president of Barber & Baldwin, said that it marks a new departure in aviation insurance.

"Heretofore," said Major Lloyd, "it has been customary for underwriters to employ practical aviators for the liaison work between underwriters and agent. We have found, however, that men with no insurance experience, even though excellent flyers, are seldom able to explain satisfactorily the technicalities of aviation insurance to an agent who had decided to cultivate this class of business and wishes to improve his service to his friends. We confidently expect that agents and brokers will greatly benefit from Mr. Davey's wide experience in general insurance, as well as from his thorough knowledge of aviation insurance in all its phases."

ESSEX, AJAX WILL BE OPERATED WITH SUSSEX

NEW YORK, Dec. 12.—Hereafter the Essex Fire and the Ajax Fire, both of Newark, will be operated in conjunction with the Sussex Fire of the same city. Arthur H. F. Schumm, vice-president and general manager of the Sussex, has been elected to like offices with both of the other companies. While the Sussex Fire is already entered in some 20 states and intends going into still others, the Essex and the Ajax have practically confined their writings to New Jersey. Under the new arrangement both will now go farther afield.

Lippman & Lowey of Newark will continue as general agents in a portion of New Jersey for the Essex and the Ajax and for the Sussex Fire as well. Hawks & Schenck of Greensboro, N. C., have been appointed general agents in Virginia and the Carolinas for the Sussex Fire.

Terminates Henry Clay Contract

On Jan. 1 the contract which the Hartford Fire has had with the Henry Clay Fire of Lexington, Ky., will be terminated. Seven years ago the Hartford assumed charge of the underwriting operations of the Henry Clay through its western department, of

which A. G. Dugan is general agent. Under this plan there was a working agreement whereby the Henry Clay's entire business was taken over by the Hartford. The Hartford has decided not to renew the contract, and is consequently arranging with the agents of the Henry Clay to represent one of the companies in the Hartford group.

LOSSES CUT SURPLUS OF NORTHWEST MUTUAL FIRE

OLYMPIA, WASH., Dec. 12.—A decrease in net surplus of \$65,215 is revealed in the convention examination report of the Northwest Mutual Fire of Seattle. The examination, which was participated in by Washington, Oregon, Wyoming and North Carolina, shows that on Aug. 31, 1928 the company had admitted assets of \$4,177,113 as compared to \$4,026,244 on Dec. 31, 1927, and a net surplus of \$787,184 as compared with \$852,399 on that date. It was stated that the decrease was caused by a heavier loss ratio the first eight months of 1928. There has also been a slight reduction in dividends paid to policyholders—26.5 per cent as compared with 27.2 in 1927 and 30 percent in 1924.

The report further states that since 1906 the association has operated on the full cash premium plan, following in general the rates of the stock companies. Most of the business has been secured by salaried employees.

Reinsurance of the Northwest Mutual, or the bulk of it, has been placed with London Lloyds and with other mutuels.

Move into New Building

The National Guaranty Fire and the Independence Bonding, affiliated companies at Newark, N. J., have moved to their new home office at 29 Cedar street, corner of Halsey street. These companies, under the management of President John R. Shields and Secretary J. J. Shields, are gradually expanding and building up an agency plant.

Columbian National Examination

LANSING, MICH., Dec. 12.—Examiners of two outside departments assisted L. J. Treanor, chief examiner of the Michigan department, in a regular departmental examination of the Columbian National Fire of Lansing, which has just been completed. The Minnesota department and Texas department participated in the examination.

Hess to Head N. Y. Exchange

Harold Hess, actuary of the National Board, has been chosen to succeed Willis O. Robb, recently resigned as manager of the New York Fire Insurance Exchange. He will assume the office early next month.

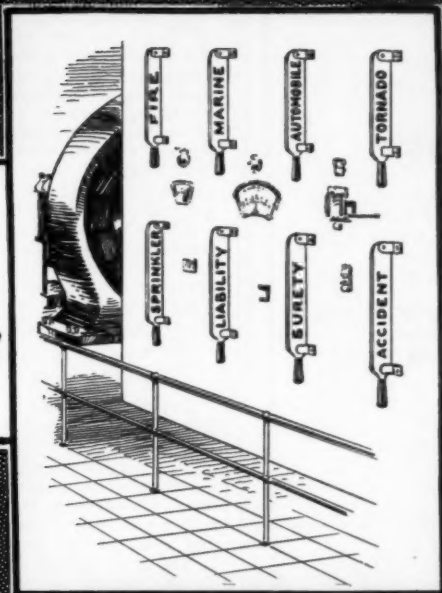
Central Kansas Field Club

WICHITA, KAN., Dec. 12.—Guests at the regular weekly meeting of the Central Kansas Field Men's Club were V. E. Herbert of Topeka, state agent for the National-Ben Franklin; Fred Horn of the Israel-Horn Agency; Dwight Smith and Howard Snyder of the Smith-Stone-Snyder Agency; L. B. Brown of Anderson, Brown, Ginzler Agency; Charles Slawson of Dulaney, Johnson, Yankee & Priest, and Fred Little, all of Wichita, members of the Wichita Insurers, and H. W. Sharp, special agent for the Kansas Underwriters, who was voted to membership.

The discussion of the day was "Mutual and Reciprocal Insurance Companies" and was led by Harry B. Brown, state agent for the Northwestern National. Messrs. Smith, Brown, Little and Horn presented a skit before the club which had been developed last fall for presentation before the annual meeting of the Kansas Association of Insurance Agents. It brought out the arguments of representatives of reciprocal, mutual and stock insurance.

INSURANCE A SWITCHBOARD

Insurance is a
Switchboard which
keeps the Currents of

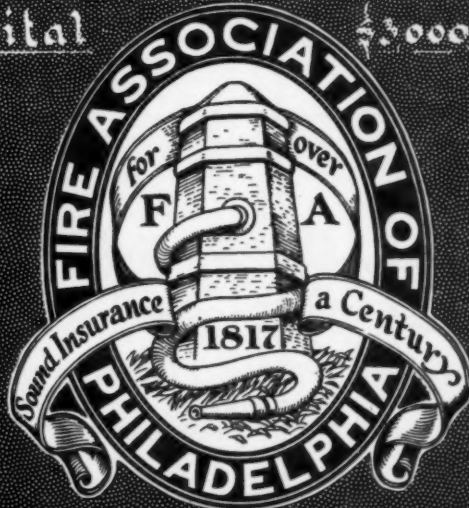


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Capital \$1,000,000.

J.W. Cochran
President

Victory

Insurance Company

Capital \$1,000,000.

Constitution Indemnity Company
Capital \$1,000,000.

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We recommend for investment and price enhancement the stocks of this progressive group of companies at present market levels:

- American Equitable Assurance Company
of NEW YORK**
Capital - \$2,000,000
- Brooklyn Fire Insurance Company**
Capital - \$1,000,000
- Bronx Fire Insurance Company
of the CITY OF NEW YORK**
Capital - \$1,000,000
- Knickerbocker Insurance Company
of NEW YORK**
Capital - \$1,000,000
- Merchants & Manufacturers Fire Insurance Company
of NEWARK (1849)**
Capital - \$1,000,000
- New York Fire Insurance Company (1832)**
Capital - \$1,000,000
- Sylvania Insurance Company,
PHILADELPHIA, PA.**
Capital - \$1,500,000
- Republic Fire Insurance Company,
PITTSBURGH, PA. (1871)**
Capital - \$600,000

BOUGHT—SOLD—QUOTED

Information and Circulars Upon Request

AMERICAN INSURANSTOCKS CORPORATION
W. WALLACE LYON, President
51 East 42d Street New York

VIEWED FROM NEW YORK

By GEORGE A. WATSON

WILL BE NON-AFFILIATED

The Cosmopolitan Fire of New York City, recently organized, will be non-affiliated in the various jurisdictions. Its home office is at 92 William street. James A. Blainey was the main factor in getting the company started. It has already been licensed in a number of states and will operate on the general agency plan in some of the more distant localities. Cravens, Dargan & Co., Houston, Tex., have been appointed general agents for their state.

The Cosmopolitan Fire, while independent of the Corroon & Reynolds fleet, will enjoy to a large extent the reinsurance facilities of this organization. That firm has the metropolitan agency. R. A. Corroon is one of the largest stockholders.

SUSSEX FIRE EXPANDING

The Sussex Fire of Newark, N. J., under the management of Vice-President Arthur H. F. Schumm, is extending its operations and is already showing handsome advances all along the line. Its office is in the Military Park building. It is licensed in the eastern and most of the New England states. In the more distant parts it is operating on the general agency plan. In California, Carl N. Corbin Company has the general agency at San Francisco. Harry Kaufman of New Orleans has the general agency for Louisiana. T. A. Manning & Sons have the general agency for Texas, and the Mountain States Agency Company of Denver for Colorado. Joseph C. Cloud of Cincinnati is state agent for Ohio, Kentucky and Tennessee. Thomas F. Hagen of Chicago has Illinois, Minnesota and Wisconsin. Walter T. Campbell has St. Louis. The Sussex will shortly enter Virginia, North and South Carolina. Mr. Schumm was formerly assistant United States manager of the Caledonian and has had a splendid insurance training.

LEWIS, MACKINNON SAIL

Hugh Lewis, general manager of the Liverpool & London & Globe, and John Mackinnon, accident manager of the company, sailed from New York for England this week.

NEW TOURIST FLOATER FORMS

Proofs of revised forms B and D, determined upon at a recent meeting of the Tourist Floater Conference, have been received by the member companies for review. Both forms are more liberal as to coverage than those now in use, and should make an especial appeal to prospective insureds. The contracts will be on sale the first of the year.

REPORT ON CITY EQUITABLE

According to the report of Charles C. Fowler, deputy superintendent of the New York department, the expense of liquidating the affairs of the United States branch of the City Equitable Fire of London, which failed in 1922, was only 2.88 percent of its cash assets. The company established a branch in this city to transact a reinsurance business in 1920, remitting \$1,020,898 for that purpose. Subsequently \$70,000 was returned to London by its management, and more recently the liquidator sent over \$779,761. Additional money now available will swell the total return to the stockholders to approximately \$900,000, after all creditors in this country have been paid their approved claims in full. An unusual feature in the report is the request of Mr. Fowler for instructions from the court as to the amount to be reserved for the payment of federal income taxes; \$30,000 has been set aside for the purpose, though it is not clear as to whether this will be sufficient. States claiming

premium taxes due include Pennsylvania, \$5,001; New York, \$2,907 and Illinois, \$564.

DINNER FOR SLAGG AND FALLOON

W. Crichton Slagg, chairman of the Fire Offices Committee (Foreign) of London, and C. H. Falloon, general manager of the Atlas, of London, were honor guests of the executive committee of the United States Fire Companies Conference at luncheon here Thursday, on the eve of their sailing for Cuba. American officials present at the affair included: R. R. Stone, Automobile; A. R. Phillips and R. S. Glass, Great American; Wilfred Kurth, A. C. Bailey and E. E. Vann, Home; John O. Platt and M. D. Long, North America; C. B. Roulet, National Fire; Fred Ackerman, National Union; George C. Long and P. C. Cothran, Phoenix of Hartford; W. L. Maillot, Fire Association; L. H. Oetjen, United States Fire; Harry Austin, general manager American Foreign Insurance Association, and T. M. Marson, secretary-treasurer of the conference. President H. A. Smith of the National Fire and Vice-president James Wyper of the Hartford Fire had expected to be on hand, but were unavoidably detained.

Vice-president Kurth of the Home, acting as master of ceremonies, spoke appreciatively of the willingness of the British companies to cooperate in the endeavor to bring about more stable underwriting conditions in Cuba, and referred sympathetically to the illness of King George, voicing the hope that the monarch's recovery would be both speedy and complete. Messrs. Slagg and Falloon replied in proper vein.

At the conference in Havana the United States Conference will be represented by Mr. Wyper and Mr. Roulet.

ELLIS LEAVES PHOENIX POST

Herbert W. Ellis, assistant United States manager of the Phoenix of London, has resigned that position to become a partner in the investment firm of Bromhall, Killough & Co. of New York City. He also has been vice-president of the Ontario Assurance, the Columbia, and the United Firemen's. He began his insurance career with the Queen and later joined the London Assurance with which he became head of the reinsurance department. Later, desiring to engage in the underwriting branch of the business, he joined the America Fore group, first as an inspector in New York and later as special agent of the Continental for the western New York state territory. In 1914 he resigned from the Continental to accept a similar position with the Phoenix fleet. He went to the New York office as general agent in the eastern department in 1915 and served in that capacity until 1921 when he was appointed to the position he has now resigned.

BALLARD FETES LEWIS

Hugh Lewis, general manager of the Liverpool & London & Globe, was honor guest at a dinner given on the night of Dec. 6 by Summer Ballard, president of the International Insurance. Many leading executives and the New York superintendent of insurance were among the guests.

BROKERS SEEK RELIEF

A special committee of the Fire, Marine & Liability Brokers Association has prepared a report on operating cost which will be included in the report of W. A. Dillingham of the New York department to be made to Superintendent Beha. The committee's report shows that costs of doing business have risen disproportionately to the increase in rates and stresses the inadequacy of the ten percent now allowed in the con-

gested district. The committee's report reads in part:

"We look to the companies for adequate commissions. Our requests are modest and a way should be found to meet them. We have demonstrated the need of a minimum rate of brokerage of 15 percent on ordinary business and 20 percent on preferred business. To establish these rates in New York City would require the reinstatement of the 15 percent brokerage rate on ordinary business in the congested districts. This would involve a gross increase in commission of not exceeding one percent of the fire premiums produced in the boroughs of Manhattan and the Bronx, and not more than three-fifths of one percent of the fire premiums written in the territory of the New York Fire Insurance Exchange. The fact is that there is no congested district in New York City. The 15 percent brokerage rate, which was in effect prior to the San Francisco conflagration in 1906 should have been reinstated years ago. No valid reason exists and none has been advanced for retaining this so-called congested district and its discriminating 10 percent brokerage rate."

HANSSON'S SAIL FOR HOME

Mr. and Mrs. Christian Hansson of Oslo, Norway, left the United States last Saturday for Italy on their way home. Mr. Hansson is managing director of the Christiania General of Oslo and was in the United States to visit the head office in this country. J. M. Wennstrom is United States manager.

TO TAKE NEW OFFICES

After Dec. 15 the Recording & Statistical Bureau's executive and operating offices will be located at 75 Maiden Lane.

BOTH SIDES STAND PAT IN WEST VIRGINIA ROW

NEW YORK, Dec. 12.—Agents in West Virginia apparently are not taking kindly to the new commission agreement submitted them by company members of the West Virginia Uniformity Association. The number signed thus far is limited. Certain offices have instructed their representatives in the state that unless the agreements are in by the time limit, Jan. 1, their agencies will be taken up. Company men resent the attitude of the West Virginia Association of Insurance Agents in repudiating the action of its committee, and that further is responsible for their present determination to refuse a further joint meeting, as recently suggested. Feeling that such procedure would get them nowhere. On the other hand they assert they will enforce rigidly the present plan.

MINNESOTA FIRE SOLD TO AMERICAN PHOENIX

NEW YORK, Dec. 12.—Control of the Minnesota Fire of Chatfield, Minn., has been secured by the American Phoenix Corporation of this city, which plans increasing the capital of the Minnesota company to \$500,000, and adding substantially to its net surplus. H. P. Thurber, new secretary of the Minnesota Fire, is to be its president, and H. M. Robertson and H. R. Wemple its vice-presidents. The former is also president and the latter vice-president of the American Phoenix. Both will be on the directorate of the Minnesota Fire, as will also G. P. Welch, a director of the New York corporation. The company will be developed as a direct line writing institution.

Open New Building Dec. 21

BALTIMORE, Dec. 12.—The formal opening of the Central Fire's new building will take place Dec. 21.

The building, having a frontage of 111 feet on Holliday street and 71 feet on Fayette, is two and one-half stories

in height. The first floor is devoted to the local department of the company, while in the next floor above will be located the accounting, statistical and agency departments. On the mezzanine floor the board room and the offices of the president and vice-president are located.

Salina, Kan. Suffers Big Loss

Fire loss of approximately \$400,000, with insurance totalling \$325,000, was suffered at Salina, Kan., when fire originating the Rorabaugh dry goods store completely wiped out that building, a three-story joisted brick, and spread to Heywards, a dry goods store, the Weigner Ready-to-Wear, Chappell music store and various offices in adjoining structures.

The Rorabaugh building was owned by Bondi Brothers of Galesburg, Ill. E. C. Wyatt and H. I. Weinger, respectively, owned the building occupied by Heywards and Weingers stores.

Adjusters are now engaged in settling the claims, and figures are not yet available as to the losses of the various companies. They are said, however, to run from \$300 to \$40,000 with the Camden, East & West and Royal Exchange the heaviest losers. Most of the insurance was written through Salina agents and all are reported unusually busy since the loss, writing increased lines and checking the coverages of other Salina merchants and property owners.

NATIONAL LIBERTY Insurance Company of America

SUMMARY OF SEMI-ANNUAL STATEMENT

July 1, 1928

CAPITAL	\$ 2,000,000.00
PREMIUM RESERVE	9,826,847.02
RESERVE FOR ALL OTHER LIABILITIES.....	1,825,129.00
NET SURPLUS	18,758,100.02

TOTAL ASSETS

SURPLUS TO POLICYHOLDERS.....\$20,758,100.02

Fire, Automobile, Windstorm, Tornado, Sprinkler Leakage, Rent and Rental Value, Use and Occupancy, Tourist Baggage, Explosion, Property Damaged by Aircraft, Riot and Civil Commotion, Inland Marine, Parcel Post, Registered Mail.

Home Office—709 Sixth Avenue
New York City, N. Y.



SANTA CLAUS IS COMING!

We know he is.

All of which is to show just one thing—we are feeling happy, bubbling over with the Christmas spirit.

Therefore, no sales talk this time. Just a bit of holiday cheer to tell you and everybody else that we wish a very merry and happy holiday season to all.

But that's not all. There are many, many days in a year and many, many years to come, and we're wishing that all these days and all these years be happy, prosperous ones for you.

And so, to boil down our exuberance about this holiday season, let us say briefly but heartily—

MERRY CHRISTMAS
and a
HAPPY NEW YEAR

The FRANKLIN FIRE INSURANCE COMPANY

OF PHILADELPHIA

ORGANIZED APRIL 1829

CASH CAPITAL \$1,000,000



Competition on Service

TODAY an agent must have someone in his office who understands the rating system and how to apply it in order to give service to his customers. Agents are in constant competition with others who are familiar with schedule rating, all seeking to obtain the business. If an agent cannot meet this form of competition, he is almost certainly doomed to see his business slip away.

More than one trained insurance man has gone into towns and cities within the last 20 years and within that period has built up the leading agency of the community. He has been able to do this because agents already established were not keeping themselves prepared to give adequate service to their clients.

It is a well recognized principle that it is more expensive to get new business than it is to hold business already on the books and so the first effort of every agent is to protect what he has. There is no excuse today for any agent losing a line because of his failure to give the right kind of advice to his clients in the matter of rates and rate reduction. The necessary information is available in The National Underwriter Dean Schedule Course. For fifteen years, progressive agents have made use of this information to their advantage.

**The National Underwriter Company,
420 E. Fourth Street,
Cincinnati, Ohio.**

Gentlemen:

I want more information on your Dean Schedule Course. Send to me without obligation on my part your 30 page booklet, "Business Getting knowledge", telling about it.

Name.....

Street.....

City and State.....

W. J. TIPPERY APPOINTED ASSISTANT MANAGER

E. L. VAUGHN ALSO ADVANCED

Promotions Made in Western Department of Aetna Fire by Manager
W. N. Achenbach

W. J. Tippery has been appointed assistant manager of the western department of the Aetna, and E. L. Vaughan has been appointed agency supervisor of the western department effective Jan. 1. These changes were decided upon at a conference held last week in Chicago between Ralph B. Ives, president of the Aetna, and W. N. Achenbach, western manager. Some changes in the official line up of the company's western department were deemed necessary following the resignation of Charles F. Thomas, who resigned as assistant manager and will, on Jan. 1, become secretary of the Western Union succeeding the late E. B. Hatch.

Under the new arrangement the assistant managers under Mr. Achenbach will be Harry R. Yates, W. G. Bayliss and Mr. Tippery.

New Assistant's Career

Mr. Tippery has for many years been one of the outstanding field men in the northwest. His entire business career has been spent with the Aetna. He began with the company's old northwestern branch at Omaha, Neb. in 1891 as an office boy. He was appointed special agent of the company in North Dakota in 1904 and was made Minnesota state agent in 1911. Mr. Tippery has been conspicuous in organization work and in his field has served as president of North Dakota Fire Prevention Association, most loyal gander of the Dakota Blue Goose, president for two terms of the Minnesota Fire Underwriters Association, chairman of of the executive committee of the the legislative committee and member Minnesota and North Dakota Fire Underwriters and director of the Fire Underwriters Association of the Northwest. Mr. Tippery has a broad knowledge of the business and is possessed of an unusually winning personality.

Vaughn Long with Aetna

Like Mr. Tippery, Mr. Vaughan has devoted his whole business life to the Aetna. He is a native of Richmond, Va. and went with the Aetna when the western department was maintained at Cincinnati. He later went to Omaha, Neb., to assist in the establishment of the northwestern department of the Aetna which was later discontinued and merged with the western department in Chicago. For many years Mr. Vaughan has been the dean of the Aetna's examiners in the western department.

CENTURY CLASS ENDS THIRD OF ITS COURSES

HARTFORD, Dec. 12.—Fourteen young men, students of the Century Indemnity's training school, completed the third phase of their insurance education when they were graduated from the burglary insurance class after three months of intensive training under Robert E. Broderick, burglary underwriter. The present class was organized nearly a year ago from employees of the company who showed special aptitude for field work. Most of them are college graduates.

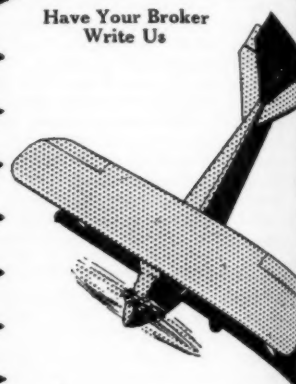
The first phase of their training consisted of a course in the bonding and surety lines under E. S. Crookes, supervisor of the contract bond division; Ernest Killer, supervisor of the court and fiduciary bond division, and W. N. Belden, supervisor of the fidelity and blanket bond division. This course required about six weeks. The students were then enrolled for a study of acci-

dent and health insurance under L. M. Willson, accident and health underwriter. This extended over a period of three months.

The burglary course, which has just been completed, will be followed by another three months' study of automobile insurance, after which will come a course in general liability and compensation lines.

Clinton T. Bissell, associate consulting engineer of the National Board, spoke on "Building Construction and the Fire Hazard" at the Dec. 6 meeting of the Examining Underwriters Association of New York.

Have Your Broker
Write Us



A Policy that Covers Plane through Pilot

ANOTHER bit of grief for the operator has been eliminated. No more waiting around for insurance on a new ship. Now it is insured through a new form of policy that covers the ship through the pilot.

Operators are enthusiastic about this policy because it is just what they have been in need of. Get busy with the operators in your territory right away.

Service an Ideal since 1850. Now our thorough knowledge of this new field and our great volume of aviation business makes it possible to give preferred service to brokers on all forms of aircraft insurance. We quote to only one broker on each risk. A wire or telephone call will bring proposal forms by air mail.



AUER

INCORPORATED
Century Bldg., Milwaukee, Wis.

Have Your Broker Write Us.

CHANGES IN THE FIELD

INGLES GETS DETROIT POST

Appointed Wayne County Manager for North America Fleet, Succeeding Nelson Reid, Resigned

P. R. Ingles, who is now in charge of western Michigan for the North America and Philadelphia Fire & Marine, has been appointed Wayne county manager with headquarters at Detroit, in charge of the North America fleet, to succeed Nelson Reid, who has resigned his position to become effective early in the coming year.

Mr. Ingles has demonstrated his ability for handling large problems, having served the North America organization for several years in Ohio and Michigan. Entering the field from the legal profession, he has been a student of the business, starting at the bottom and working his way up to this very important position in field supervision. He is recognized as one of the most progressive field men in the state.

Mr. Reid is a well-known man in the middle west. He was formerly in Ohio, later serving the Continental as state agent in West Virginia, from which position he entered the service of the General Adjustment Bureau in that state, leaving it to enter the service of the North America in Detroit. He is a man of wide experience, and especially capable in the adjustment of complicated losses. Mr. Reid at this time does not desire to make any announcement of his new connection.

E. T. Cline, O. P. Rush

Edward T. Cline has resigned as state agent of the Eagle, Star & British Dominions in Kansas, Oklahoma and Missouri as of Dec. 31. He will on that date become associated with the Charles Nelson Company, a lumber and steamship concern on the Pacific Coast.

He will be succeeded by O. P. Rush, who is at present state agent in Ohio and Michigan and who desires to return to southwest territory. Mr. Rush will make headquarters at Kansas City, Mo.

Oscar L. Perry

Oscar L. Perry has been appointed special agent for the American of Newark, covering Maine and New Hampshire, with headquarters in Portland. Mr. Perry has had eight years experience in the insurance business, which he entered after being graduated from the University of Maine. He is well and favorably known to most agents in those two states.

E. Gordon Linke

E. Gordon Linke has been appointed special agent for the Travelers Fire in Chicago, where he will work under the supervision of A. N. Raymond, manager for Cook county. Mr. Linke is a native of Hartford, and becomes associated with the Chicago branch office after the completion of the fire training school course just recently conducted at the home office of the Travelers.

Mr. Linke has been connected with the Travelers for some time, having been employed in the underwriting division of the Travelers Fire prior to entering the fire training school.

Harry B. Potts

H. J. Robinson, fire manager of the Queensland of Australia, announces the appointment of Harry B. Potts as special agent in upper New York, with headquarters at Syracuse. Frederick W. Axt previously traveled the entire state, but to care properly for the interests of the company and give its agents the service desired by the man-

agement, the field has been divided. Mr. Axt in the future will restrict his activities to the Hudson valley and New York suburban fields.

G. T. Wilson, D. O. Haggerty

George T. Wilson of Dayton, Ohio state agent for the Globe of Pittsburgh, who is just completing his 25th year with that company, has also been made state agent of the Republic of Pittsburgh. His assistant for both companies will be Dean O. Haggerty, from the Republic home office. His headquarters will also be at Dayton.

Harold Knox

Harold Knox has been appointed special agent in western Pennsylvania, West Virginia and the Panhandle of Maryland for the Public Fire of Newark, a connection he will assume Jan. 1. He has been in the same field for the Netherlands and Great Lakes Fire for the past five years, prior to which he was a special agent for the Svea and for three years was secretary of the Importers & Exporters of New York.

Lester G. Carpenter

Lester G. Carpenter, special agent for the Glens Falls and Commerce in Illinois outside of Chicago, has resigned to enter his own business. Mr. Carpenter's home is in Peoria, Ill.

John Belmeur, Paul McKown

John Belmeur, who has been in the home office, has been made special agent for the St. Paul Fire & Marine in Virginia. His place in the home office will be taken by Paul McKown, who is returning to St. Paul because of the continued illness of his wife.

EXECUTIVES CONSIDER COAST TRIP SUCCESS

HARTFORD, Dec. 12.—Success attended the recent mission to the Pacific coast by six fire company executives, including the presidents of two Hartford companies, according to Edward Milligan, president of the Phoenix, who has returned to this city. Richard M. Bissell, president of the Hartford Fire, has also returned from the trip to the coast.

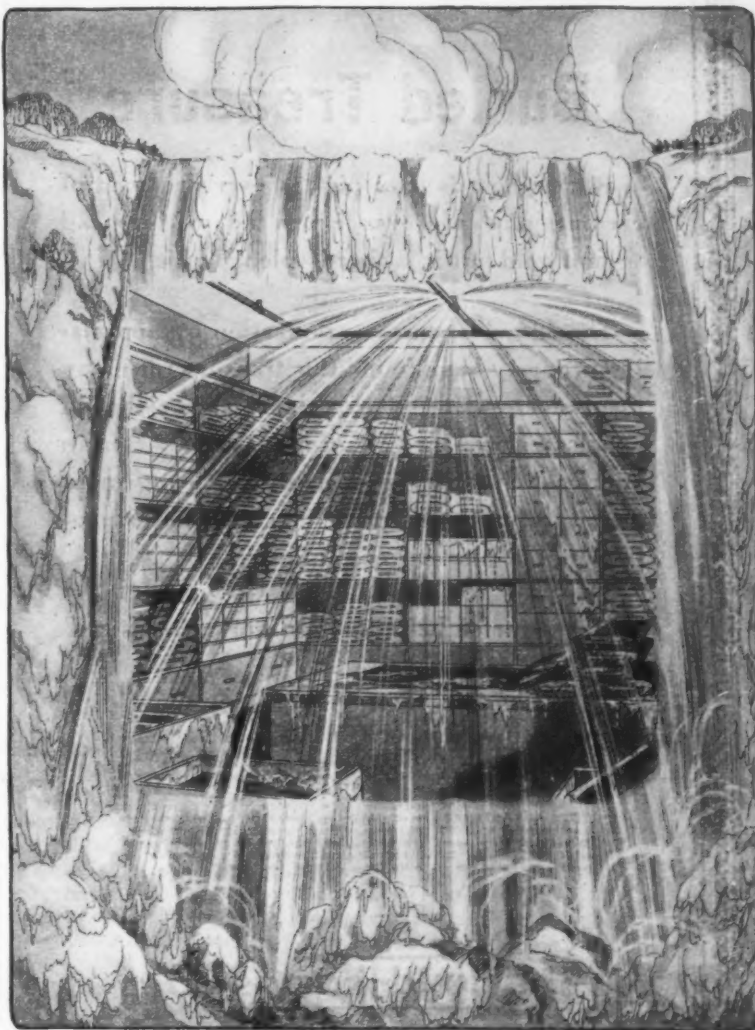
The success of the mission was due largely to the personal efforts of Mr. Milligan, who acted as chairman, according to President Bissell of the Hartford. As a result of the trip better relations between eastern companies and western general agents have been established. The home offices considered that many general agents in Portland, Seattle, Tacoma and Salt Lake City were "getting out of hand" and adopting methods "disturbing to the right conduct of business."

New regulations regarding underwriting and complete harmony between the offices and western agents have been brought about through the trip, according to members of the committee.

General Agents' Organization Grows

Membership in the Association of Fire Insurance General Agents has reached 100. Twenty-nine states and the District of Columbia are represented. The association was organized in 1926 and started with eight members. In May, 1927, the membership was 60 and a year later was 79. The association's growth has resulted solely from interest in the field, and it has no paid secretary or solicitor. Officers of the association are: President J. G. Leigh, Little Rock, Ark.; vice-presidents, Louis E. English, Richmond, Va., and W. L. Wakefield, Hartford; secretary-treasurer, J. K. Shepherd, Little Rock, Ark.

Unwelcome Niagaras



When Your Sprinklers run Amuck!

Every minute 20 gallons of water—
and not clean water, like Niagara's
—splash down when just one
sprinkler head misbehaves.

The loss is terrific.

"Ask the man who's had one"

and

Freezing - thawing weather
causes more losses than
any other one cause.

For our Agents

a convincing envelope enclosure is
available as an advance salesman
of Sprinkler Leakage Insurance.



Buried Treasure

Richer hoards than pirates ever dreamed of are buried near insurance men today. Many fail to find gold but it is there—plenty of it.

The Lloyd-Thomas organization by appraising property have found this treasure for many insurance men. Our experience shows that in most cases property is *under-insured*. After an appraisal the insurance man, by placing more insurance, not only gives his client better protection, but also enriches himself.

May we also help you find buried treasure?

WHAT IS AN APPRAISAL?—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

ITS ADVANTAGES—1st—It discovers insurable values that have long been written off the books through unscientific depreciation. 2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

The Lloyd-Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES

APPRAISAL ENGINEERS

4411 Ravenswood Ave., Chicago
120 Broadway, New York

Cincinnati	Cleveland	Detroit	Indianapolis
St. Louis	Milwaukee	Pittsburgh	Memphis
Denver	Toronto	Minneapolis	Kansas City
Washington	Los Angeles	Atlanta	Des Moines
Birmingham	Omaha	Berlin	London

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

100 William Street - - - New York City

FIRE - AUTOMOBILE - WINDSTORM
BUSINESS INTERRUPTION INDEMNITY

AS SEEN FROM CHICAGO

STREET, CULVER ELECTED TO BOARD

Charles R. Street of Chicago, vice-president of the Great American, and B. M. Culver, vice-president of the Niagara, have been elected members of the board of directors of the Underwriters Laboratories.

BETTER BUSINESS EXPECTED

Field men traveling Illinois report business dull to brisk in most of the state. Losses, some field men report, are increasing, but not too swiftly for the season. Collections are reported fair by most of the special agents. Some report them good and some very good. Crops were good this year in most of the state and it is expected that after the first of 1929 general business—and insurance with it—will improve.

INSURANCE STOCK QUOTATIONS

H. W. Cornelius of Lewis-Dewes & Co., a stock investment house in Chicago, gives the following insurance stock quotations as of Dec. 10:

Stock	Par	Bid	Asked	Div. per Share
Aetna Casualty	100	1150	1200	\$12.00
Aetna Fire	100	645	655	24.00
Aetna Life	100	910	930	12.00
Agricultural	25	150	...	4.00
Allieman	50	300	320	10.00
Amer. Alliance	100	500	...	...
Amer. Auto	10	75	...	2.00
American Drug	25	80	85	3.00
Amer. Equit.	5	35	38	1.50
American of N. J.	5	30	32	1.00
Amer. Reserve	10	90	96	3.00
Amer. Salam	50	80	85	2.50
American Surety	50	275	285	11.00
Automobile	100	440	445	...
Balto. Am. (new)	5	48	51	...
Bankers Indem.	5	22	25	...
Bankers & Ship.	100	570	600	18.00
Boston	100	950	...	22.00
Brooklyn Fire	25	100	112	...
Buffalo	100	450	...	13.00
Camden	5	30	32	.95
Carolina	10	56	60	1.40
Cent. West Cas.	50	66	72	2.00
Chicago F. & M.	10	15	17	...
City of N. Y.	100	610	630	16.00
Colonial States	10	28	31	...
Columb. Nat.	25	16	20	...
Commer. Cas.	10	48	53	2.00
Commonwealth	100	750	...	20.00
Constitu. Indem.	10	32	36	...
Continental Cas.	10	70	73	1.60
Continental F.	10	84	86	2.00
Detroit F. & M.	50	55	60	4.00
Detroit F. & M.	100	300	350	10.00
Detroit Nat. Fire	25	20	25	1.00
Eagle Fire	20	90	96	4.00
Employers Re-In.	10	35	37	...
Excelsior	5	12	14	...
Federal, N. J.	100	1250	...	20.00
Fed. Sur. (new)	25	...	...	...
Fidelity & Cas.	25	190	200	5.00
Fidelity & Dep.	50	300	310	8.00
Fidelity-Phenix	10	95	98	2.00
Fire Association	10	51	54	2.50
Fireman's Fund	25	118	123	5.00
Firemen's, N. J.	10	43	46	2.20
Franklin Fire	25	440	460	8.00
Gen. C. & S. (new)	...	32	...	...
General Surety	25	137	147	...
Georgia Cas.	5	23	25	...
Glens Falls	10	62	64	1.60
Globe & Rutgers	100	2800	2900	44.00
Gt. Amer. Cas.	25	15	20	...
Gt. Amer. Indem.	10	70	74	...
Great American	10	48	51	1.60
Great Lakes	10	11	13	1.00
Guaranty Fire	100	215	230	10.00
Guard, F. (new)	10	55	58	5.00
Halifax	10	40	43	.60
Hamilton	50	350	400	4.00
Hanover	10	74	78	1.00
Harmonia	10	42	45	1.40
Hartford Fire	100	860	875	22.00
Hrtfd. St. Boiler	100	750	760	18.00
Henry Clay	10	11 1/2	...	.60
Home	100	575	585	20.00
Home Fire Sec.	10	48	51	...
Homestead Fire	10	41	45	.60
Hudson Cas.	5	7	10	.30
Import & Exp.	25	85	93	4.00
Independ. Indem.	10	21	23	.50
Independence	10	18	22	.60
Ins. Co. of N. A.	10	80	82	2.00
Iowa Nat. Fire	100	160	...	8.00
Lincoln Fire	20	96	101	4.50
Lloyds Pl. Glass	100	300	...	14.00
Maryland Cas.	25	170	180	5.00
Mass. Bonding	100	550	600	14.00
Mer. Com. (new)	10	120	125	...
Merchants, Pfd.	100	126	...	7.00
Mechanics, R. I.	25	100	...	2.50
Merch. & Manuf.	5	20	25	...
Metropolitan	10	11	...	1.00
Milwaukee Mech.	10	51	54	1.80
Mohawk Fire	25	54	57	...
National Cas.	10	49	53	1.20
National Fire	100	1100	1130	25.00
Nat. Lib. (new)	5	31	33	...
Nat. Union, Pa.	100	340	...	12.00
Nat. Sur. (new)	50	140	...	14.00
New Amer. Cas.	10	75	77	2.80

Stock	Par	Bid	Asked	Div. Per Share
New Brunswick	10	52	56	1.20
New Cent. Cas.	50	...	...	5.00
New England	10	50	55	...
New Hampshire	100	520	...	16.00
New Jersey	20	65	75	1.80
New York Cas.	25	100	105	4.00
Niagara Fire	25	145	150	4.00
Northern	25	150	160	3.75
North River	25	375	385	7.75
N. W. National	25	203	212	...
Occidental	10	25	29	...
Pacific Fire	25	170	...	4.00
Pacific Indem.	50	210	...	...
Peoples N. (new)	5	35	37	2.00
Philadelphia Nat.	10	25	28	...
Phoenix	100	830	840	20.00
Pioneer	20	20	...	...
Preferred Acc.	100	535	560	12.00
Presidl. F. & M.	25	27	30	...
Prov. Wash.	100	760	780	16.00
Public, N. J.	5	25	29	...
Reliance, Pa.	10	25	27	1.20
Rhode Island	100	340	365	12.00
Rossia	25	216	220	6.00
Seaboard Sur.	10	20	24	...
Security of N. H.	25	120	130	3.00
Southern Surety	10	37	39	1.60
Springfield F. & M.	25	215	230	4.00
St. Paul F. & M.	25	205	215	4.00
Standard Accel.	50	325	375	6.00
Stuyvesant, N. Y.	100	310	322	6.00
Sylvania F.	10	27	30	...
Transpor. Indem.	10	26	28	...
Transportation	25	40	46	...
Travelers	100	1610	1630	22.00
U. S. Fire	10	115	120	2.40
U. S. Casualty	100	425	435	10.00
U. S. F. & G.	50	405	415	10.00
U. S. Mer. & Sh.	100	460	480	8.00
Universal	25	80	85	3.50
Victory	10	26	29	1.20
Virginia F. & M.	25	130	145	4.50
Vulcan	100	150	...	12.00
Westchester	10	96	100	2.50

Ex-Rights 190 bid
Ex-Rights
Ex-Rights 2 3/4-3 1/4
Ex-Rights 10-15

REPORT ON NOVEMBER INSPECTIONS

As shown by the records of the fire prevention department of the Western Actuarial Bureau, there were 13 town inspection and educational campaigns conducted by the various state fire prevention associations in central western territory in November, in which 299 field men participated. Of the 1,846 risks inspected, 1,568, or 86 percent, were criticized, a total of 8,371 defects being discovered.

In connection with the campaigns carried on last month, 73 addresses were made, of which 58 were before 14,373 children, and 15 to 1,654 adults. Invitations for the inspections were received from local chambers of commerce, business men's organizations, Rotary, Kiwanis and Lions Clubs, and other civic bodies.

NEW CLASS 1 AGENCY

The United Fire Agency of Chicago has been admitted as a Class 1 member of the Chicago Board. The agency represents the Agricultural, First American Fire, Twin City Fire and Metropolitan Fire. V. H. Bartholomew is president and Mabel Larson secretary. Mr. Bartholomew is also the manager of the branch office of the New Amsterdam Casualty. The office is located in the new section of the Insurance Exchange building.

GIVES FIRE PREVENTION COURSE

Walter S. Smith, manager of the safety division for the Milwaukee Association of Commerce, will give a post-graduate course in fire prevention at the 1929 session of the National School for Commercial and Trade Organization Secretaries at Northwestern University, Evanston, Ill., Aug. 5-17. As head of the safety division, Mr. Smith is in charge of the fire prevention and the foremen's safety schools held each year in Milwaukee. They are the two largest schools of their kind in the world.

BOARD MEMBERS VOTING

On Dec. 14 the vote will be final on the Chicago Board amendments to the constitution and by-laws proposed supplementally to the action taken Nov. 14 on commissions. The final vote on the

first proposal was 120 affirmatives and 23 negatives on the first group of amendments and 122 affirmatives and 16 negatives on the second group.

The board has adopted a rule that provides for a fine of not to exceed \$500 for the first payment or acceptance of excess commission or brokerage. The fine for a second offense is \$1,000, and for the third and each subsequent offense, a fine of \$2,000 and/or suspension for not to exceed six months. The fines for Class 2, 3, 4 and 5 members are scaled downward from the Class 1 fines. On Jan. 1 the new commission rules become effective. Agency representation is still four for each company. The contingent maximum is fixed at 10 percent.

Frank W. Sargeant, president of the New Hampshire, was in Chicago last week.

George Z. Day, assistant general agent of the Tokio Marine & Fire, is in Chicago this week.

Fred A. Rye, vice-president of the Public Fire, was a Chicago visitor almost all of last week. He was in the city on business for his company.

NEWARK LUNCHEON OUTLINES PLANS OF "AD" CONFERENCE

Plans for still further increasing the usefulness of the Insurance Advertising Conference during the new year were outlined at a luncheon tendered C. E. Rickerd, president of the organization, at Newark, N. J., by his associates. The conference is steadily gaining in favor as its mission becomes better known, numerous applications for membership have been received recently with every prospect that still others will come in later on. Among those present at the luncheon-meeting, in addition to Mr. Rickerd, were Arthur Fisk, advertising manager Prudential; Ralph W. Smiley, advertising manager Globe Indemnity; R. Moore, Jr., office manager Commercial Casualty; Chauncey S. S. Miller, director of publicity, North British & Mercantile; Van Sant Wheeler, advertising manager Metropolitan Casualty; Leo H. Walsh, superintendent accident and health department United States Casualty, and Harold E. Taylor, advertising manager American of Newark and Columbia of Dayton.

Talk of Miller for Senator

Clyde W. Miller of Topeka, president of the Preferred Risk Fire, president of the Cosmopolitan Life and head of the Miller-Colwell agency at Topeka, is being discussed generally in Kansas as the probable successor to Senator Charles Curtis, vice-president elect. Mr. Miller has been prominently identified with Kansas politics for many years and has shared his office with Senator Curtis when he has been in Topeka, being unusually active in the recent campaign.

Rossia Stock Split Approved

Directors of the Rossia have authorized a stock split for its shareholders on the basis of two and one-half shares for one now held. The directors also have proposed increasing the capital from \$2,000,000 to \$5,000,000. An extra dividend of 50 cents in addition to the \$1.50 dividend already declared has been authorized. It will be payable Jan. 2 to stockholders of record Dec. 14.

Regional Advertising Meets Planned

C. E. Rickerd, president of the insurance Advertising Conference, announces that plans are being made for holding regional meetings of the organization through the year. It is believed that such meetings will be very helpful, since not all of the members can attend the annual conference. It is expected that the first regional meeting will be held in the south, either in Atlanta or Dallas.



Many scorn the use of modern weapons and hunt the Polar Bear with native bows and arrows.

Bow and Arrow Bags the Game — Sometimes!

THE prowess of the mighty white hunter lies in the efficiency of his weapons. Bow and Arrow in skilled hands is efficient sometimes—but why rely on such ineffective weapons—when more efficient ones are available? There you have a bit of philosophy that may well be applied to selling Automobile Insurance. To be sure of getting a real share of this intensely profitable business equip yourself with the best possible selling material—Get a specialty company—an organization that concentrates its efforts on this business—A company like the Universal Automobile—where the principal and exclusive business is to help you sell more Automobile Insurance.

UNIVERSAL AUTOMOBILE INSURANCE COMPANY
A WORLD OF PROTECTION A SPECIALIZED SERVICE
EDWARD T. HARRISON, PRESIDENT
DALLAS, TEXAS

OPPORTUNITY

Splendid OPPORTUNITY for young man well grounded in principles and practices of insurance; of personality and good education to become associated with Vice President of the Alfred M. Best Company, Inc. (insurance reports), in the development of the Western territory. Write fully, explaining character of education and experience.

Address,

RAYMOND T. SMITH, Vice President
Alfred M. Best Company, Inc.
10 South La Salle St.
Chicago, Illinois.

WANTED

General Adjuster by an established stock fire insurance company to take charge of Home office fire loss department; must possess initiative and sound judgment. State experience, age, family and salary expectations. H-50, The National Underwriter.

Connection Wanted

As special agent for fire or casualty company. Some field experience, ten years local agency writing general lines. Address Box H-45, The National Underwriter.

OUTSTANDING FIELD MAN OF RECOGNIZED ABILITY, NOW EMPLOYED, DESIRES CHANGE. OHIO-MICHIGAN. CAN PRODUCE MATERIAL VOLUME DESIRABLE BUSINESS. ADDRESS BOX H-40, THE NATIONAL UNDERWRITER.

WANTED

FIRE UNDERWRITER: Prefer man about 35 to 40 years old with field and office experience. Medium sized company. Good chance for advancement. Replies treated confidential. Address H-44, care The National Underwriter.

WANTED

An experienced office manager for a large fire insurance agency, located in Cleveland. Underwriting experience desired. Position permanent, good prospects. Give age, experience, references and salary expected. Address H-46, care The National Underwriter.

Brokers' Attention

Large local agency have private office and desk space to offer good brokers controlling a sufficient amount of fire and casualty insurance. Address H-48, care The National Underwriter.

A Fire Insurance General Agency in Chicago has positions open in the following Departments:

Loss Reinsurance
Cashier Also Map Clerks
Accounts and File Boys
Statistical

Replies confidential. Address H-54, care The National Underwriter.

WANTED

Traveling solicitor and special agent for general fire business. Good opportunity with large group of Mutual Companies. SOUTHEASTERN AGENCY, Nashville, Tennessee.

"The Casualty Insuror, in our opinion, is one of the best insurance magazines published and we read every word of every issue."—TWIN FALLS TITLE & ABSTRACT Co., Twin Falls, Idaho.

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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Cultivating Trade Organizations

At one of the insurance conferences recently, a very observing company official called attention to the growing importance of trade organization and their increasing value to their members. The trade association now includes for the most part the progressive men in that particular line of business. In days gone by, competitors hesitated to furnish information to one another. They felt that trade secrets should be carefully safeguarded. They threw a bulwark around their own transactions and endeavored to mystify competitors. This, to a very large extent, has changed. Men in different lines of business are pooling their information. They are working together. Originally the trade organization meant to a large extent a price fixing association. It meant, too, combining to protect the business of members from outside marauders. It was a defensive proposition.

As time has gone on, the trade organization has solidified its members. It has been able to have researches made that are of great benefit. It has been of educational advantage. Members of trade organizations are studying every item of expense. Naturally, one of the investigations made concerns insurance. Many of these trade bodies now have an insurance committee. The members of this committee are usually men who have taken a particular interest in insurance for some reason or other. The chairman of the committee very likely is a man who has some axe to grind, who is an agitator, and who claims that insurance rates are too high.

It seems to us that here is a big opportunity for insurance educational work. Stock insurance companies have neglected to cultivate organizations in

other lines. There are today some outstanding examples of what one or a few men can do in connection with trade organizations. These men have followed the conventions. They have kept in touch with the leaders. When insurance comes up they are consulted.

The mutuals and reciprocals have been alert to take advantage of opportunities given them to advance their cause through the medium of these trade organizations. Their representatives have courted the influential members. They have been asked to participate in the discussions or give addresses. They are called in when insurance is discussed. In this way trade organizations have been induced either to establish a specialty mutual or reciprocal or make some tie up with these concerns.

The trade organization is far reaching in its actions. Stock insurance could occupy itself with no more beneficial work than systematically identifying itself with trade organizations of all kinds. It should be made the duty of one or two men to follow closely one organization. These men receiving the assignment must be honest and conscientious in what they will try to do. It should not be the purpose to spread special propaganda but to furnish convincing evidence when it is necessary. In many cases trade organizations get the idea that insurance rates in their particular business are too high. It is very easy for men in one line of business to think they are being gouged by other activities. Insurance can justify its charge. It can marshal statistics to prove its cause. Much could be accomplished for stock insurance if there were proper contacts with these trade bodies, which are increasing in number and value.

Profitable Premiums

PHIL BRANIFF of Tulsa, Okla., brings out the fact that agents should give more consideration to "profitable premiums." Mr. BRANIFF takes the position that "profitable premiums" do not necessarily mean business on which there will be no losses. Insurance that is well chosen by conscientious agents

who have in mind the selection of risks that are not subjected to any unusual dangers is devoutly to be desired at company headquarters. Phil declares that "profitable premiums" serve to give the assured more protection and the agents more liberty. It is a point that agents should remember.

PERSONAL SIDE OF THE BUSINESS

Dan H. Bailey, Paxton, Ill., local agent, and Mrs. Bailey were injured in an automobile accident in Rantoul, Ill., last Wednesday night, Mrs. Bailey suffering the loss of two fingers. The Baileys were driving to Champaign to keep a dinner engagement. While passing through Rantoul at low speed Mr. Bailey was blinded by the lights of oncoming cars at a railroad crossing and crashed with one of them. His car crossed the road and he swung the wheel and drove the car across to the opposite side of the road before he could stop it. Mrs. Bailey was taken to a hospital in Champaign.

Lester Fisher, Rochester, N. Y., insurance agent, is the candidate of the Underwriter's Board of Rochester for the position of New York insurance superintendent to succeed James A. Beha. Mr. Fisher is a Democrat. He was the first deputy compensation commissioner appointed at the time the workman's compensation law went into effect during the term of Governor Glynn. Under Governor Whitman the workman's compensation commission was superseded by the industrial board. At the request of the one of the original members of the board, Mr. Fisher served as deputy during the board's creation. Previously to that time he served 23 years with the Eastman Kodak Company. Since then he has been in the general insurance business.

Secretary J. C. McKown of the St. Paul Fire & Marine, will be absent from his desk for some time because of an injured foot. While handling cord wood at his new cabin on the St. Croix, Mr. McKown's foot was crushed.

J. Charles Harris, most loyal grand gander of the Blue Goose, is active these days consolidating the organization in California. He was scheduled to attend a meeting of the "puddle" at Sacramento, another with the San Francisco pond when the convention committees will be announced to the membership and later on another session with the members at Fresno in the San Joaquin Valley. Other meetings will be programmed in that territory to permit Mr. Harris to meet with them in support of the 1929 annual meeting to be held in San Francisco.

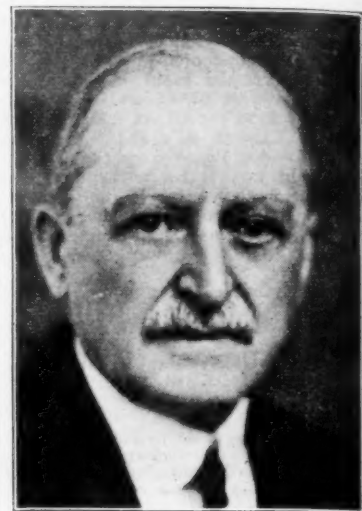
H. U. Bailey, director of trade and commerce of Illinois, had his official state duties rudely interrupted last week by a fire that did much damage to his newspaper and printing plant at Princeton, Ill., where he resides. Mr. Bailey, who is publisher, found it necessary to get the paper issued from another office.

The funeral of Frederick C. Moore, assistant secretary of the Hartford Fire, was held Dec. 7 at his home in Hartford.

There was a large attendance of insurance officials and members of the office staff. The honorary bearers were Daniel J. Glazier, financial vice-president, and Clyde P. Smith, recording secretary of the Hartford Fire and the Hartford Accident; C. S. Kremer and C. S. Timberlake, secretaries, and A. W. Tyrol, assistant secretary of the Hartford Fire; F. Minot Blake, secretary of the Phoenix of Hartford; Herbert C. Churchill, assistant secretary of the Great American of New York, and George W. Baker, secretary-treasurer of the Technology Club of Hartford.

The active bearers, members of the office staff of the Hartford Fire, were George Atkinson, Barton M. Douglas, Charles D. Shea, Charles F. C. Hutt, Arthur L. Polley and Harold Wilkinson.

Members of the Western Adjuster's organization have shown much regret over the passing of A. M. Shel-



A. M. SHELLITO

lito, whose death was announced last week. Mr. Shellito was manager of the Minneapolis branch and had an excellent reputation among members of the insurance fraternity.

Paul Haid, president of the America Fore companies, who has been on an extended business trip to the Pacific coast, was in Chicago the early part of the week and arrived in New York Wednesday.

Horatio Barber, president of Barber & Baldwin, aviation underwriters, has sailed for a six-week vacation in Europe.

C. M. Goddard of Boston is receiving condolences of his friends over the death of Mrs. Goddard last Friday. For many years Mr. Goddard was secretary of the New England Insurance Exchange.

An estate of \$450,000 was left by John B. Knox, former president of the Equitable Fire & Marine of Providence, R. I., and secretary of the Phoenix of Hartford, according to his will, which has been filed for probate. With the exception of the Knox residence, the estate is left in trust and the income of the estate is to be paid to his six children.

George Neiley, partner in the prominent Boston firm of Field & Cowles, died Friday at his home in Winchester following an illness of several months. In 1889 Mr. Neiley was appointed special agent of the Royal in Connecticut, with headquarters in Hartford, and a year later became New England special agent for that company with Field & Cowles, New England managers.

On July 1, 1910, he was admitted to membership in the firm of Field & Cowles. Mr. Neiley was elected president of the New England Insurance Exchange in 1901 and was reelected the following year.

He is survived by his wife and five sons, George Neiley, Jr., executive special agent of the Royal at its United States branch office in New York; Geoffrey C. Neiley, special agent for Field & Cowles; Richard B. Neiley, in the marine department of Field & Cowles; Stephen Neiley of Cambridge, and Edward A. Neiley of Winchester, the latter two with local business firms.

A. H. Barry, who has been engaged in fire prevention and protection work for the last 23 years, has joined the Viking Automatic Sprinkler Company of Chicago, with the title of vice-president. For several years Mr. Barry was in the engineering department of the Chicago Board.



Over the Hill and On

Christmas and the New Year mark the passing of the Home's Seventy-fifth Birthday—*another milestone.*

The HOME OF NEW YORK is eager to look ahead and offer each of its Home Agents and friends throughout the world—

*A
Merry Christmas
and
A Happy New Year*

1853

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

MARTIN RETURNING TO OHIO IS MATTER FOR ATTORNEYS

Veteran Adjuster Resumes Old-Time Affiliation With Home of New York in That State

C. T. Deatrick, the veteran state agent of the Home of New York and allied companies in Ohio, announces that John R. Martin of Detroit will be associated with the Home organization in Ohio after Dec. 15. Mr. Martin was formerly connected with his organization in the state. Mr. Deatrick has always had a high regard for Mr. Martin's ability and there has always existed the warmest of friendship between them.

Mr. Martin obtained a seasoned experience in Mr. Deatrick's department in the handling of all phases of the fire insurance business and especially in the adjustment of fire losses. Mr. Martin subsequently specialized in the adjustment end of the business and at times has since been connected with the adjustment bureaus, his activities in this respect being principally in the Michigan field in late years. Ray Decker, now general agent for the Home on the coast, started his experience in Mr. Deatrick's department specializing in losses. The losses were subsequently handled by Robert J. Foster and Joseph H. Clinton, both now deceased.

Mr. Deatrick takes great pride in the fact that Mr. Decker, who is now high in the administration of the affairs of the Home, started in the Ohio department and subsequently obtained such recognition by the home office. Mr. Martin has many friends throughout the Ohio field among both local agents and field men, and all of whom will welcome his return.

INSURANCE PAYS FIFTH OF REVENUE IN OHIO

COLUMBUS, O., Dec. 12.—Taxes on insurance companies in Ohio pay one-fifth of the total revenues of the state, according to figures compiled by A. I. Vorys, formerly Ohio insurance superintendent and now a prominent lawyer specializing in insurance law. When the premium tax was raised by the Ohio legislature in 1927 to 3 percent, from 2½ percent, it was estimated that the tax would produce \$6,387,000 of revenue. To this must be added \$275,000 in fees, making a total of \$6,662,000 as the revenue derived from levies on insurance companies in the state. The total general revenue for the state for the year was estimated at the same time at \$32,837,000. Adding the fire marshal tax of one-half of 1 percent to the \$6,662,000 of premium taxes and fees makes the insurance revenue practically one-fifth of the total revenue of the state.

Inasmuch as Governor-Elect Myers Y. Cooper has announced that he will recommend to the general assembly the repeal of the extra one-half of 1 percent tax, it is expected that this subject will be one of the first to be considered when the legislature convenes. The tax in Ohio from 1888 to 1927 was 2½ percent of the premiums, with the fire companies paying an additional one-half of 1 percent for the support of the fire marshal's department.

Fire caused a loss of \$25,000 in Newton Falls, O., this week. The blaze was caused when a gasoline torch used by a workman in the apartments of Walter McGeehan exploded.

Subscribers Actuarial Committee Suggests Having Counsel Handle Ohio Questionnaire Matter

The Subscribers Actuarial Committee of Chicago has suggested to fire companies the advisability of giving to their attorneys the questionnaires on their Ohio experience sent out by the Ohio department in connection with a fire rate investigation in the state. The information sought, which the companies likely would not furnish at any time, includes: Direct written business; business written, premiums received, and losses paid less unearned premium on direct business for five years on an elaborate list of classes; incurred unpaid losses without reinsurance on premiums on direct business only; expenses chargeable against premiums and risk less adjustment expenses. This is only a partial list of what is asked for.

The requests for information were made by the Ohio department under a court order, and it is held that the matter of answering them is properly a legal question on which attorneys for the companies should pass. Hicks & Folonie of Chicago and Frederick D. Silber, also of Chicago, are the attorneys who have handled most of such matters for the fire companies in the west.

Ohio Appointment Due Soon

It is understood that Governor-elect Myers Y. Cooper of Ohio will announce his appointment of a superintendent of insurance the latter part of this week. Those who are most prominently mentioned for the place are Claude C. Biehls, the present deputy, and C. S. Younger, although it would not at all surprise those in touch with the situation to see a dark horse selected. Several insurance men are in favor of the appointment of a lawyer rather than of an insurance man and should this view prevail with the governor-elect it is likely that Judge Younger would be chosen.

To Employ Full-Timer

TOLEDO, O., Dec. 12.—On account of pressing duties, Joseph A. Yager of the Toledo Association of Insurance Agents has found it necessary to give up his part time position of secretary-counsel. The association has decided to employ a full time secretary. It is hoped that an experienced insurance man able to assist the association in strengthening its influence will soon be employed.

Honor DeVan at Huntington

HUNTINGTON, W. VA., Dec. 12.—The Huntington local board gave a dinner last week in honor of R. P. DeVan, president of the National association.

The dinner was attended by practically all of the members of the Huntington local board, by A. J. Kincaid, president of the state association; C. R. Morgan, president, and L. F. Null, secretary, of the Charleston Board, and others. Mr. Kincaid, Mr. DeVan and others addressed the meeting, which was rather a social affair. Insurance problems and particularly the agency contract situation were not pressed.

Darrow in Cincinnati

The Cincinnati Fire Underwriters Association holds its regular monthly meeting, Thursday noon, Dec. 13, at the Chamber of Commerce. It is expected that W. W. Darrow, advertising manager of the Home of New York, will be present to speak about the publicity campaign of the National Board. Mr. Darrow will explain the plan and pur-

pose of the advertisements now appearing in the Cincinnati papers.

Lima Loss \$750,000

Fire a few days ago caused a loss of \$750,000 when it destroyed the Holland block, a five-story structure, in Lima, O. It was the worst fire in the city's history, it is said. The fire started in the basement and virtually every floor was ablaze through the airshafts before it was discovered. The Wapakoneta fire department helped to fight the flames. Police recovered \$7,000 worth of jewelry from the Windsor jewelry store.

Ohio Notes

Bascom, O., has installed a fire siren

which can be heard for several miles. The territory round about has been divided into districts, which have been numbered, and a fire in any of these districts can be designated by the number of blasts on the siren.

Companies just licensed in Ohio include the Associated Reinsurance and Cosmopolitan Fire, both of New York.

Stanley Spragens of Cincinnati announces removal of his insurance offices to the third floor of the American building, Central Parkway and Walnut street.

After serving 12 years as secretary of the Kiwanis Club at Columbus, O., Harry C. Hughes, widely known local agent, has resigned.

H. O. Sandridge, an insurance man of Obetz Junction, O., will be inaugurated as mayor of that place next month. He is the city's first mayor.

CENTRAL WESTERN STATES

CARTER ELECTED PRESIDENT

Michigan Insurance Federation Meets at Detroit—Commissioner C. D. Livingston on Program

DETROIT, Dec. 12.—At the annual meeting of the Michigan Insurance Federation here the following officers were elected: George W. Carter of Detroit, president, succeeding E. J. Schofield; Mr. Schofield, Kenneth Watkins, A. G.



GEORGE W. CARTER

Crandall, Ethon Thompson, Charles E. Freese and Mark T. McKee, vice-presidents; T. J. Hennes, secretary, and H. R. Vernon, treasurer.

Among the speakers on the program were: G. E. Turner of the Casualty Information Clearing House; Commissioner Charles D. Livingston, John Lovett, general manager of the Michigan Manufacturers' Association; Augustus H. Gansser of Bay City, member of the insurance committee of the state senate, and John T. Hutchinson, secretary of the Insurance Federation of America.

Agency Entertains Field Men

The Harris-Hine Agency of Bay City, Mich., last week entertained all the field men of the companies, which it represents, at a venison feed at Theodore Hine's cottage on Lake Huron. A good time was had by everyone in attendance, including those who borrowed money to get home on.

Appoint Committee Chairman

A. L. Rigsbee, manager of the Insurance department of the Fletcher Savings & Trust Company of Indianapolis, has been appointed chairman of insurance committee of the Marion County Bankers Association.

GUARD INSURANCE INTERESTS

Business Represented by 13 Men in Michigan Legislature—Will Fight Compulsory Bill

LANSING, MICH., Dec. 12.—Insurance representation in the Michigan legislature at the session convening early in January is unusually large and is commensurately reassuring to persons interested in the business and averse to the passage of hampering laws and favorable to constructive legislation.

A check-up of the senators and representatives-elect reveals the interesting fact that the 1929 legislature will include in its make-up at least 13 men who have definite insurance connections and can be counted on to work for the best interests of the business. Of this number, five are in the senate and eight in the lower house. The senate insurance men are: Tony Achard, Clare; Alex Cowan, Port Huron; A. J. Engel, Lake City; A. M. Gansser, Bay City; George J. Kolowich, Hamtramck. On the house side are the following: Joseph C. Armstrong, Detroit; Martin Bradley, Menominee; Charles W. Cheney, Chesaning; Frank P. Darin, River Rouge; Otis Huff, Marcellus; James E. Lawson, Royal Oak; George C. Watson, Capac, and James M. Wilson, Kalamazoo.

Can Have Much Influence

With such a group to pick from it will be extremely unlikely that the insurance committees of the two houses will be made up without inclusion of several of the experienced insurance men. Committee position, of course, is of great importance as most major legislation is made or broken in committee and a few strategically placed insurance men can undoubtedly have much influence in shaping legislation affecting the business.

There is one legislative matter almost certain to appear which stock insurance interests will do their utmost to defeat. That is a compulsory auto law. A more determined effort than has ever previously been made in behalf of this dubious experiment in paternalistic legislation will probably be put forth at the approaching session. A measure is understood to have been drafted along lines suggested by a prominent Detroit judge and it is not unlikely that several other such bills will appear. Another matter which many insurance men think will be taken up is that of extending state jurisdiction in controlling rates.

Clyde B. Smith of Lansing, chairman of the executive committee of the National association, heads the state association's legislative committee. Association leaders have already discussed legislative prospects at some length and

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President
A. H. HASSINGER, Vice President

JOHN KAY, Vice President and Treasurer
WELLS T. BASSETT, Vice President

JANUARY 1ST, 1928, STATEMENTS

ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
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ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
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ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
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ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,315,051.79
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ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
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ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
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TOTAL OF ASSETS
\$66,583,161.68

TOTAL OF LIABILITIES
\$32,856,039.61

TOTAL NET PREMIUMS
\$25,684,495.78

WESTERN DEPARTMENT
844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager
Assistant Managers
H. R. M. SMITH
JAMES SMITH JOHN R. COONEY

EASTERN DEPARTMENT
10 Park Place
NEWARK, NEW JERSEY

CANADIAN DEPARTMENT
461-467 Bay Street
TORONTO, CANADA
MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT
60 Sansome Street
San Francisco, California
W. W. & E. G. POTTER,
Managers

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*Winter Is the Time When
Fires Start, and Watchmen Doze*

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1794

1928

THE INSURANCE COMPANY
OF THE
STATE OF PENNSYLVANIA
PHILADELPHIA, PA.

Fire—Lightning

Tourist Baggage

Inland Transportation

Use & Occupancy

Windstorm

Automobile

Parcel Post

Rent Insurance

Acquire

THE OLD "STATE OF PENN"

definitely promised Commissioner Livingston support in his crusade for a qualifications act.

Illinois Mutuals to Meet

SPRINGFIELD, ILL., Dec. 12.—The annual convention of the Illinois Association of Mutual Insurance Companies will be held here Feb. 12-13. It is expected that 125 delegates will attend. S. B. Mason, Bloomington, is president of the state association and Charles Holz, Buckhorn, secretary. W. W. Swett of this city, member of the board of directors, is active in arranging for the convention visitors' reception.

Joliet Loss Totals \$350,000

Fire caused a loss estimated at \$350,000 when it attacked the plant of the F. E. Schundler Company in Joliet and destroyed two divisions of the operating department structure and a large storage warehouse. The company manufactures magnesite flooring and stucco. The loss on machinery alone is placed at \$200,000. Apparently the blaze originated in the basement of the part of the plant known as the mill where an oil-fuel heating plant was in operation. The sprinkler system in the protected sections of the plant operated effectively. The company recently began installation of a sprinkler system in the mill section of the plant. Efficient work on the part of the Joliet fire department prevented the spread of the blaze to the remainder of the works and to the buildings adjoining owned by other companies.

Michigan Notes

C. P. Williams, former manager of

the insurance department of the Louis G. Palmer Company, Detroit, has resigned and is now connected with the Detroit Insurance Agency.

The First Methodist church of Comstock, Mich., suffered a \$12,000 fire loss last week, believed to have been caused by an overheated furnace. Insurance amounted to only \$3,500.

More than half of the two-story building of the Aronsen Printing Company, Detroit, was destroyed by fire Monday which broke out in the basement from an overheated boiler. Damage was estimated by Maurice Aronsen, the owner, at \$50,000.

Lansing's most serious fire of the year was recorded during the past week when a block containing a grocery store, a cleaning and dyeing establishment and a living apartment burned, entailing a total loss of slightly in excess of \$20,000. The businesses burned out were a unit of the Kroger grocery chain and the Estfan Dry Cleaning & Dyeing Company.

Illinois Notes

The J. T. Haslam & Co. general store at Moweaqua, Ill., was destroyed by fire the night of Dec. 8. Loss is estimated at \$25,000 on stock and \$7,500 on building. Both were partly covered by insurance.

Seventeen race horses valued at \$75,000 were destroyed when fire consumed a section of the stables at the Fairmount race track near East St. Louis, Ill. The total loss was estimated at \$85,000. The cause of the fire is unknown.

John C. Stephen, 54, well known local agent of Evansville, Ind., and for many years past a member of the city council, died suddenly at his home, death being due to asthma, from which he suffered for several years.

STATES OF THE NORTHWEST

LESSORS SUFFERED NO LOSS

Lessee Restored Building According to Terms of Lease—Owner Tries to Collect

MADISON, WIS., Dec. 12.—Where the owners of property lease a building which is later damaged by fire and the lease-holder restores the building at no expense to the property owner no insurance can be collected by the owner even though he had a policy and an insurable interest. This is the decision of the Supreme Court in a case from Marathon county, Wis., which raised a question for decision unique in court annals.

What Lease Provided

Under the lease the lessee was permitted to repair or remodel the building at his own expense and have option to purchase premises at the expiration of the lease. The lessee remodeled the building and insured his interest. The lessors also insured their interest. In case of fire neither the lessor or lessee was required to restore the building, although either might do so. A fire occurred and the lessee restored the building and brought suit on his insurance policy to recover the loss. The lessors also brought suit on their policy to recover the loss stipulated therein. The trial court gave judgment in favor of both plaintiffs. The insurance companies appealed on the lessors' action claiming that they had experienced no loss.

Justice Crownhart in reversing the judgment, said there was one fire and one loss. There were two separate insurable interests in the building which were secured by two valid policies. The lessee, under the right of the lease, restored the building so the lessor suffered no actual loss. This the latter's recovery was only a theoretical loss.

Lindahl Joins Accounting Firm

R. T. Lindahl, who resigned recently as deputy insurance commissioner of Minnesota, will retire from that post Jan. 1 to become second vice-president of Addwell, Vogel & Sterling, Chicago insurance accountants and auditors. He

will have charge of that organization's business in the Twin Cities.

Mr. Lindahl has been connected with the insurance department since 1923 and has been deputy commissioner since 1923. He will be succeeded as deputy commissioner by Clarence P. Diepenbrock, a Minneapolis attorney, who for a time was deputy state treasurer.

Insurance Club Frolic Postponed

MINNEAPOLIS, Dec. 12.—The mid-winter dance and frolic of the Insurance Club of Minneapolis, which was to have been held Dec. 10, has been indefinitely postponed because of conflicting activities.

Inspect Hartford, Wis.

HARTFORD, WIS., Dec. 12.—The Wisconsin Fire Prevention Association inspected this city last week and found 72 of the 101 buildings inspected to be defective, with 207 hazards discovered. School children returned 420 home inspection blanks, 25 of which revealed the fact that gasoline was being used in that many homes for cleaning and 10 homes used kerosene to start fires.

There were 16 field men at the inspection. During the day Roy Nicholson and Harvey Girard, president of the association, talked to the school children.

A dinner was held in the evening. President Girard told business men and leaders of this city what fire prevention work consists of and what it means. C. R. James, secretary of the association, gave a report on the results of the inspection and laid particular emphasis on the number of reports telling of the use of gasoline and kerosene in homes. Mr. Nicholson was the principal speaker and discussed the fire loss and resulting waste in the United States each year.

The association is now making plans to inspect Manitowoc on Jan. 9 and it will be assisted in that inspection by Harry K. Rogers, who will bring his fire clown act with him.

Duluth's Showing Favorable

DULUTH, MINN., Dec. 12.—A favorable showing was made in fire losses in Duluth in November, the total for the month aggregating only \$7,340 as compared with \$66,430 the same month last year, according to the report of Fire Chief S. H. Hansen. The total number of alarms answered last month was 86, and the fires endangered buildings valued at \$222,700 and contents valued at

\$80,250. Total insurance carried on the properties endangered was \$195,800. Inspection work was maintained at a high trend, 768 premises in the downtown district having been visited by inspectors assigned to that work. The result was that many defects of various kinds were ordered corrected.

State Buildings Burn

ST. PAUL, Dec. 12.—As the result of two fires within a week that damaged state-owned property, there are prospects that the next legislature will be asked to provide some sort of insurance protection for the state.

In the latest fire the armory building at White Bear was damaged to the extent of \$12,000, with no insurance. This was almost a new building. A few days previous one of the state reformatories was gutted by fire.

Warns Against Candles

ST. PAUL, Dec. 12.—A warning against careless lighting of Christmas trees has been issued by Commissioner Garfield W. Brown. He advises the use of electric candles wherever possible, but where wax candles must be used he suggests that great caution be used in placing them.

Madison's Good Record

MADISON, WIS., Dec. 12.—Madison had a good fire record for the first 11 months of this year, in fact, the best in its history. Losses on buildings amount to \$23,849 and on contents \$10,887, making a total of \$34,736, less than 8 percent of the total city premiums.

Duluth Board's Election

DULUTH, MINN., Dec. 12.—At the annual meeting of the Duluth Underwriters Association Charles F. Liscomb was re-elected president; E. M. Meinselman, re-elected vice-president; Ethel Anna Coleman, re-elected secretary and treasurer, and T. W. Walker director for three years. Directors who terms continue are Paul F. Otis, Fred Brosell, C. F. How and W. R. Cameron.

Wisconsin Notes

J. D. Leahy, assistant secretary of the

Travelers Fire, visited the Milwaukee branch of the company Dec. 6.

Miss Therese Kavel, member of the staff of the Wisconsin Inspection Bureau at Milwaukee, is in Florida and Cuba on her vacation.

George O. Miskimen has been appointed an inspector at the Oshkosh branch office of the Wisconsin Inspection Bureau.

Announcement of the recent marriage of Roland E. Craft and Miss Glenna Wiese, both members of the city department staff at the Wisconsin Inspection Bureau, has been made.

B. A. Lehnberg, vice-president of the Chris Schroeder & Son Co., Milwaukee general agency, was in the east last week on business, during which he visited in New York and Philadelphia.

Sympathy of the fire insurance fraternity in Milwaukee has been extended to Alfred L. Williams, assistant agency superintendent for the Milwaukee Mechanics, whose father died at Clinton, Ill., on Dec. 4.

The local insurance agency of Wurtz-Chesley Company, Fond du Lac, Wis., has been dissolved, and J. C. Wurtz has purchased the interests of A. D. Chesley. Mr. Wurtz will continue to operate the business and Mr. Chesley will also operate an individual agency.

Milwaukee fire patrols answered 151 alarms in November and were out on 13 special duty calls, the monthly report of activities shows. The three patrols traveled 440 miles during the month and were in service 128 hours. The members of the patrols laid 1,160 stock covers and three roof covers.

Dakota Notes

Fire, originating from a defective stove, destroyed the Wagness Auto Company frame garage at Lakota, N. D., and threatened the business district. Damage is estimated at \$5,000, most of which is covered by insurance.

Fire, believed to have been caused by a defective stove, which broke out at Cavalier, N. D., destroyed the McIntosh general store and the Jennings hotel. Damage is estimated at \$50,000, part of which is covered by insurance.

Minnesota Notes

One of the worst fires of the year in Minneapolis was that which damaged the hotel and hospital supply business of Knud Aslesen, 501-511 Washington avenue south. The loss was estimated at close to \$100,000. The origin of the fire has not been determined.

IN THE MISSOURI VALLEY

DISCUSS QUALIFICATION LAW

Fire & Casualty Underwriters of Sioux City Hear Arguments for Proposed Plan

SIoux CITY, IA., Dec. 2.—The Fire & Casualty Underwriters of Sioux City held a largely attended meeting here last week and had as its guests, Senator B. M. Stoddard, Representatives L. B. Forsling and Carl Sass, legislators from this county, H. E. Bjordstrup, manager of the Western Adjustment, and Loyd B. Gettys, manager of the Mutual Life of New York, who is chairman of the insurance bureau of the chamber of commerce.

The Iowa Association of Insurance Agents will have presented at the forthcoming meeting of the general assembly a bill providing for an agents' qualification law, similar to such laws in effect in Nebraska, South Dakota, Minnesota and some 20 other states.

Outlines Proposed Plan

Fred W. Colvin, chairman of the executive committee of the state association, outlined the proposed plan for a qualification law. He told the legislators that he believed the public interests would be conserved by requiring that all persons writing insurance prove their qualification to the insurance commissioner before they were licensed to solicit or write insurance.

Manager Bjordstrup of the Western Adjustment said an agents' qualification law would assist the adjustment bureaus. He stated that adjusters had no power to do more than the policy itself set forth and he declared that their troubles multiplied when losses occurred under

policies written by the agents who do not make a business of insurance and are not familiar with the requirements of good underwriting.

Gettys Gives Examples

Mr. Gettys said he believed that life insurance men were in favor of their agents proving their qualification to the state, and gave examples of the efficacy of the laws in South Dakota and Minnesota. Remarks bearing on the subject under discussion were made by President Robert Andrews, Paul C. Howe, T. M. Prall, H. P. Pratt and Guy W. Andrews.

John Hynes of Davenport is chairman of the legislative committee of the state association and it is understood an active campaign will be carried on before the legislature meets to have the matter discussed by local boards with their district members of the legislature as guests. The agents believe their cause is just and are anxious to set forth their arguments frankly.

Backed For Hyde's Job

Joseph B. Thompson of Kansas City, Mo., who was secretary to Arthur M. Hyde when he was governor of Missouri, has considerable backing in powerful political circles for the appointment to succeed Ben C. Hyde as superintendent of insurance of Missouri. The present superintendent's physical condition is such that he will not seek reappointment when his term expires on June 1, next.

Governor-elect Henry S. Caulfield may appoint a successor to Mr. Hyde shortly after taking office because of the condition of the present superintendent's health.

Mr. Thompson was given a position

Christmas— New Years



Two days that mean much in our scheme of life. The first stands for peace on earth, good will to men. What better thought to carry with us throughout all our lives including our business relations one with another.

And then there is New Years. It represents the beginning of things—a new start in life, as it were. It is literally the coming of a new year, as man marks the passing of time. But it is more than that. The New Year should represent to you the opportunity to start fresh—past mistakes remembered only in the lessons which they teach—past successes stimulating to greater efforts.

Christmas and New Years! May they both bring you good cheer and prosperity.

*The Homestead
Fire Insurance Company*

FIFTY NINE MAIDEN LANE, NEW YORK

C. L. HARRIS & COMPANY

*General Adjusters
Risk Surveys—Audits*
MAIN OFFICE - CLEVELAND.

**Through Seven
Offices
with
40 Claim Specialists**

Cleveland—Auditorium Bldg.
Cincinnati—411 First Natl.
Bank Bldg.
Akron—525 2nd Natl. Bldg.
Toledo—628 Nicholas Bldg.
Columbus—701 Outlook Bldg.
Youngstown—7 Salow Bldg.
Lima—408 Lima Trust Bldg.

Functioning as an Ohio
Claims With Legal Dep't
Insurance Claims only.

Add to Your Profits from Fire and Casualty by Taking on a Splendid Life Line

THE Largest Mixed Insurance Company in the World recently Established a Life Department. There is a Pronounced Trend in that Direction. Agencies are adding Life to Fire, Casualty, Surety, etc. You, too, may Enlarge your Profits without Increasing Fixed Costs.

The most Satisfactory Life Contract Available is that of the Columbus Mutual—the Company which 20 years ago Eliminated Middlemen and Diverted the Huge Expense of their Maintenance into Savings for Policyholders and Agents. Its System makes possible Low Cost Insurance, Generous Commissions, and VESTED Renewals. There are No Restrictions in Territory. Each Contract is a Direct Home Office Contract—no Intermediaries between. The Agency that Produces gets ALL the Commissions.

Send today for this Distinctive and highly successful Company's Proposition. Write your Name and Address on the Margin of this Advertisement and Forward.

THE COLUMBUS MUTUAL LIFE INSURANCE COMPANY

C. W. Brandon, Pres.



Columbus, Ohio

THE EAST AND WEST INSURANCE COMPANY OF NEW HAVEN, CONNECTICUT

Do you need in your Agency a Company capable of understanding your needs, one willing to help work out your fire insurance problems?

Do you want in your Agency a Company that pursues a stable and consistent underwriting policy year after year?

The East and West is such a Company. It is a valuable addition to any Agency.

Owned by and under the Management of
Security Insurance Company of New Haven

Western Department
ROCKFORD, ILLINOIS
Walter D. Williams, Manager

in Arthur M. Hyde's office in 1921 and prior to that was acting treasurer for Douglas county. When Arthur M. Hyde retired from office in 1925, Thompson removed to Kansas City and became associated with a building and loan organization and later entered insurance work, in which occupation he is now engaged.

George E. Hackmann, former state auditor, is also said to be an aspirant for Commissioner Hyde's place. Mr. Hackmann has been engaged in insurance work since he retired from office in 1925.

United Hail to Be Liquidated

TOPEKA, KAN., Dec. 12—The United Hail of Topeka, a mutual, is to be liquidated. Attorney-General Smith, at the request of the insurance department, has asked for a receiver for the company in the district court here. The company had the worst year in its history. Policyholders received only a very small part of their claims and the salaries of the officers and the commissions of the agents were pro rated. The company holds a large amount of notes, but the loss claims are several times as much as the possible collections. The insurance department determined that the best procedure would be to close out the company. Virgil Sholes of Topeka is the receiver.

Ask Kansas Hail Rate Raise

TOPEKA, KAN., Dec. 12—Commissioner Baker has been advised by representatives of the stock companies writing hail insurance that they will seek increases in rates in four or five of the western counties. They will also ask that the 10 percent deductible clause be required in all policies in the 12 percent zone. The new schedule of the companies will be filed late this month or early in the new year. The last season was the most disastrous the companies have ever had and a large increase in rates had been expected.

Licensed in Nebraska

The following companies have been licensed in Nebraska: Virginia Fire & Marine, Independence Fire, Sylvania, Empire State, New York Fire, Merchants & Manufacturers of New York, Universal and Wisconsin Automobile.

Heart of America Blue Goose

KANSAS CITY, MO., Dec. 12—The Heart of America Blue Goose held its last meeting for this year on Monday, with T. H. Carleton presiding. The meeting was called especially for the purpose of reinstating some members and also to adopt the Blue Goose relief fund. A plan was drafted by a committee of which R. D. Air was chairman. The plan will be submitted to all members and they will give whatever they wish. Disbursements of the fund will be in charge of a committee of which the most loyal gander will be chairman. The pond also collected the annual Christmas fund which will be administered by D. R. Ford. The pond always takes care of several needy families at Christmas.

Must Bond Every Officer

LINCOLN, NEB., Dec. 12—Replying to a request of Commissioner Dumont for an opinion on the law requiring officers of hail assessment associations to give a \$50,000 bond to the state for the benefit of policyholders, Attorney-General Spillman has ruled that this means a \$50,000 bond for each officer and not a total of \$50,000 in bonds from all of them, as has been the practice. The ruling says that the instrument might be so drawn as to bond each of the several officers in the sum of \$50,000, but in that case each of the principals will be virtually acting as surety for the other principals named in the bond.

Kansas Blue Goose Meeting

TOPEKA, KAN., Dec. 12—The Kansas Blue Goose held its regular luncheon Monday with 35 members in attendance. H. T. Stephens presided.

An interesting paper was read by E. N. Harsha of the Kansas Inspection Bureau on the hazards of lacquers, after which some practical demonstration of the various kinds was given, showing the nature of the various dusts and how quickly they would ignite under low

heats and favorable conditions. A collection was taken for the annual Christmas offering.

The chairman next Monday will be Mr. Phillips of the Western Adjustment Topeka office and the discussion will be on the application of the electrical exemption clause in connection with radio and equipment, led by P. Zimmerman, manager of the Western Adjustment in Topeka.

B. A. Rosenquist Dies

B. A. Rosenquist, general agent of the Alliance Cooperative of Topeka, died at his home in Kansas City, Kan., last week at the age of 68.

Mr. Rosenquist, with many others, was caught in the floods at El Dorado, Kan., Oct. 16, and was kept there a full week before he could drive out. The drinking water was contaminated and it was apparently due to this that he contracted the disease which resulted in his death. Burial was at Osage City, in which town he lived for many years.

Concerned Over Water Supply

KEARNEY, NEB., Dec. 12—Concern for Kearney's water supply is being expressed because of the great increase in pump irrigation in the surrounding farm section. These pumps are electrically driven and at crop-growing time pull a large volume of water, because of their number, from the underground flow. The experts wonder how far this development can go before permanently affecting the available supply. The Kearney council has just ordered another well sunk, the water table having dropped six inches during the late summer.

Discuss Recent Merger

DES MOINES, Dec. 12—W. C. Topping, manager of the Underwriters Adjusting Company at Sioux City, was in Des Moines the past week attending the meeting of the field club, made up of state agents and adjusters of Bureau companies. Matters under discussion pertained to the recent deal of the National Liberty group with the Home fleet, which involved relations between the Union and Bureau organizations.

Rating Men Ill

C. D. Arnold, manager of the Sioux City branch of the Iowa Insurance Service Bureau, and his assistant, L. R. Huff, are both confined to their homes with grippe. O. R. Besch of the Des Moines office of the bureau is in Sioux City temporarily looking after rating matters.

Heavy Loss at Shenandoah

A fire at Shenandoah, Ia., last week threatened the entire automobile business row. The fire was confined to four establishments—the Buick Motor Company, the Chevrolet Motor Company, Ahlgren Used Car Company and Shenandoah Tire Company. The blaze started in the repair shop late at night. The loss is estimated at \$80,000, with insurance of about two-thirds total.

Takes Bank's Business

OMAHA, NEB., Dec. 12—The Omaha Trust Company has disposed of its insurance, bank and mortgage lines to a new organization, the Omaha National, which has a paid up capital stock of \$250,000, and which will be owned and operated by Omaha National Bank interests.

Nebraska Notes

A loss of \$50,000 is reported from Crawford, Neb., where the Toomey flouring mills, D. J. Toomey, owner, were entirely destroyed, with more than 5,000 bushels of wheat. A 50 percent insurance coverage was reported.

Property damage totaling \$25,000 was caused on December 6 by a fire that was preceded by an explosion in the plant of the Blau-Gas Company at Omaha. The two-story building housing the plant was badly wrecked. The company makes gas for heating and lighting purposes, sold in tubes.

Forty-seven packages of mail were burned near Bennett, Neb., Dec. 6, in a fire that destroyed the waycar on a Burlington freight train. The burning car was hurriedly rushed to Bennett and put under the water tank. The latter, however, caught fire, and it was necessary to remove the car with the mail in it.

Various small towns in the state are preparing plans for improvement of

fire fighting facilities through the erection of water plants or extension of existing works. Hebron is to sink a new well for fire prevention purposes. Edison is having plans drawn for a \$20,000 plant. A bond issue for \$30,000 is shortly to be presented to Odell voters for their approval.

The \$35,000 mansion in an Omaha suburb owned by Arthur F. Mullen, leading lawyer and Democratic national committeeman from Nebraska, was completely destroyed by fire Dec. 5. Defective wiring was given as the cause. The mansion was a replica of Monticello, the famous home of Thomas Jefferson. The greater portion of the loss was covered by insurance.

Kansas Notes

Frank Scott, Kansas, special agent of the National, is confined to his home by illness.

Arrangements are being made by the State Fire Prevention Association to inspect Salina, Kan., the third week in January.

Howard V. Wheeler, head of the Wheeler, Kelly Hagny Trust Company, Wichita, returned last week from a ten-day hunting trip near Piedras Negras, Mexico.

Salina, Kansas, suffered a severe loss when several business houses were damaged by a \$35,000 fire Dec. 4, which originated in the window trimmer's room of one of the stores from defective wiring and lacquering.

Automatic sprinklers quenched a fire originating in the test room of the Coleman Lamp Company at Wichita, but not until several piles of cartons containing finished lamps had become involved and

a gasoline tank exploded, the resulting fire and water loss being estimated at \$2,000.

Missouri Notes

The Missouri State Fire Prevention Association is preparing to inspect Rolla some time in January, probably on Jan. 16.

Cape Girardeau, Mo., is the most recent entry in the Inter-Chamber Fire Waste Contest conducted by the National Fire Waste Council, under the auspices of the Chamber of Commerce of the United States.

Hoffman Son & Co., Inc., is the new title of the well known St. Louis agency headed by R. A. Hoffmann as president and treasurer. The other officers and stockholders of the agency are: B. A. Hoffmann, vice-president and general manager; W. H. Root, vice-president and secretary; A. G. Baare and M. L. Linton, vice-presidents.

Missouri cities that are contemplating improvement to their waterworks or the installation of complete waterworks and distribution systems include Drexel, Norborne, Wellspring, Mansfield, Billings, Harrisonville and Poplar Bluff. Golden City recently defeated a proposal to issue \$70,000 bonds to finance a waterworks system.

Iowa Notes

The Denison Insurance Agency has been organized at Denison, Ia., by L. W. Powers, Henry P. Saggau and Catherine L. O'Connor.

Toledo, Ia., has been given a new insurance rating by the Iowa Insurance Service Bureau. It was formerly in Class 4 and is now in Class 6.

STATES OF THE SOUTHWEST

READ FAVORS CONSOLIDATION

Idea of Abolishing Oklahoma Insurance Board Erroneous Overlapping of Authority is Wasteful

OKLAHOMA CITY, OKLA., Dec. 12—That the state insurance board and the insurance department should be consolidated, rather than abolish the board, is the idea of Jesse G. Read, Oklahoma insurance commissioner, relative to which was published recently to the effect that Mr. Read might recommend to the legislature abolishing both the insurance board and the fire marshal's office. As to consolidating the insurance board and the insurance department, Mr. Read says: "I have always entertained this idea and I believe 90 percent of the insurance fraternity having business with these departments feel the same way about it. There is a waste of energy and an overlapping of authority by the existence of both a department and a board. Much confusion could be saved by the elimination of either the department or the board."

Marshal's Office Valuable

"The matter of consolidating the fire marshal's office with that of the insurance department is one for the legislature to determine. I have had during the past five years a number of inquiries from legislators, some favoring such a move, others opposing it. Personally I have never taken a stand either way. Most certainly I do not favor the abolishment of the fire marshal's office for it is too valuable to the state and it costs the public no money whatsoever, the fire insurance companies paying the cost of operation."

Mr. Read says that he will make no recommendation to the legislature concerning the insurance board or the fire marshal's office.

Oil Boom Brings Business

OKLAHOMA CITY, Dec. 12—The wave of prosperity that is expected to follow the bringing in Dec. 4 of a big oil well a few miles south of Oklahoma City has already commenced among the writers of casualty, fire and kindred lines of insurance, according to E. R. Ledbetter of Oklahoma City, president of the Oklahoma Association of Insurers. A most optimistic spirit has been created among the people of Oklahoma County and if an oil field is developed commensurate

with present indications, a banner year is in store for all classes of business, he said.

With prospects for 1929 already good, this added stimulant will give the agents of all lines an opportunity to increase their business materially, he believes.

Casualty lines will be especially benefitted and with the heavy building program that will probably follow in the immediate future, there will be an influx of business houses and homes. Another line that he believes will be specially benefitted is automobile insurance.

Takes Non-Affiliated Companies

OKLAHOMA CITY, Dec. 12—M. B. Breeding, manager of the insurance department of Gum Brothers of Oklahoma City, has announced the acquisition of agencies for the Importer & Exporters, the Public Fire and the Merchants & Manufacturers, all non-affiliated companies. The company will continue as agent for the Union companies which it has represented previously, Mr. Breeding said.

Hold Regional Meeting

DENTON, TEX., Dec. 12—The Texas Association of Insurance Agents held a regional meeting here this week. President Charles L. Duncan and Secretary D. G. Foreman of the association and Commissioner J. W. Dewees were present. President Duncan outlined the bills that will be submitted to the next legislature. Regional Vice-President L. D. Shaver of Denton was in charge.

New Rates Fixed

AUSTIN, TEX., Dec. 12—The key rate of Happy, Tex., has been reduced by the insurance department from \$1 to 71 cents, on account of new waterworks. The department has also mailed out specific schedules to the towns of Greenville, Munday and Wills Point. No change is made in the key rates.

Farm Committee Launches Campaign

OKLAHOMA CITY, Dec. 12—The farm committee of the Oklahoma State Fire Prevention Association will launch an educational campaign at Lexington, Dec. 14. James A. Atkinson, secretary, has announced a slogan for 1929: "Make the schools safe for our children," to be used in the 1929 program of the association, which involves largely work among the schools, both urban and rural.

Meeting for Inspectors

OKLAHOMA CITY, Dec. 12—The first of a series of meetings of inspectors was held by C. T. Ingalls, manager of the Oklahoma Inspection Bureau, at his office

A Company for Good Agents

Twenty-three years of continuous progress have molded a reputation for the Home Fire Insurance Company of Arkansas that commands the confidence of every local agent. From an idea in 1905 this institution has grown to one of \$1,750,711.46 assets and \$500,000 paid up capital.

Wherever the Home Fire is located you will find a satisfied agent.

We have excellent agency opportunities in Arkansas, Louisiana and Mississippi.

Home Fire Insurance Co.
of Little Rock, Arkansas

Incorporated 1852

MILWAUKEE MECHANICS'

FIRE
MARINE
TORNADO
AUTOMOBILE
EXPLOSION
SPRINKLER
LEAKAGE

RENTS
USE and
OCCUPANCY
RIOT and CIVIL
COMOTION

INSURANCE COMPANY


Milwaukee
Wisconsin

Time-Tempered, Strength,
Security and Service

We are pleased to announce the organization of a Department to deal in insurance shares and for Insurance Company Financing under the management of

Mr. Frank H. Ellis

Specializing in the shares of seasoned dividend paying Western Insurance Companies offering opportunities for appreciation in value and increasing dividend returns.


P. W. CHAPMAN & CO. INC.
CHICAGO NEW YORK

AMERICAN ALLIANCE INSURANCE COMPANY NEW YORK

STATEMENT JANUARY 1, 1928

CAPITAL
\$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
2,017,332.55
NET SURPLUS
4,382,692.33
ASSETS
8,400,024.88
SURPLUS FOR THE PROTECTION OF POLICY HOLDERS
\$6,382,692.33
LOSSES PAID POLICY HOLDERS
\$11,776,952.31

WESTERN DEPARTMENT
C. R. STREET, Vice-President
310 South Michigan Avenue, Chicago, Ill.

Chartered 1865

The Reliable Fire Insurance Company of Dayton, Ohio

Capital\$250,000.00
Surplus to Policyholders
over\$960,372.00

W. H. Kuhlman, Pres. Wm. F. Kramer, Secy.
A. R. Preisendorfer and H. J. Favorite,
Special Agents

"The Agent who does not read his trade papers is worse than the horned toad shut up for 30 years in a Texas church cornerstone. He is just alive and mostly asleep."—George A. Caldwell, president of the Tennessee Association of Insurance Agents.

Saturday. The various schedules and uniformity were the main features discussed. The meeting was conceded one of the most instructive ever held under the auspices of the bureau. Mr. Ingalls announced that similar meetings of all inspectors connected with the bureau will be held at regular intervals to discuss problems that arise and to make for efficient service in every detail, he said.

Removing Dallas Fire Hazards

DALLAS, Dec. 12 — Fire Marshal Thompson of Dallas reported to Fire Commissioner Clarence Parker that efforts begun during Fire Prevention Week to remove fire hazards have resulted in signal success. From more than 3,000 inspections made in November, 82 of the 141 fire hazards reported have now been removed. Much credit must be given to the newly appointed fire captain, Frank G. Hedgepeth, who was appointed to serve full time in assisting the chamber of commerce to correct dangerous hazards and push the matter of education in prevention in the various schools of the city.

Paul Haid Texas Visitor

Paul L. Haid, president of the America Fore group, has been a recent visitor in Texas and the southwest. He spent some time in the new southwestern department established recently at Dallas. He expressed much enthusiasm over the progress of the new department as well as of the entire southwest which supplies the business for the Dallas office. Mr. Haid has just completed a tour through the northwest and the Pacific Coast.

Pecos Growth Creates Hazard

Pecos, Tex., claims for itself at the close of the year 100 percent increase in population and new investments totaling \$2,000,000 for less than 12 months. Though the town has been singularly fortunate the last five years in the matter of fires and has enjoyed the maximum good fire record credit, its water supply, dependent on wells, consists of a single unit which has long been inadequate. With the tax of the additional population and much new construction and many new industrial interests making demands upon the water there is

grave danger of a conflagration in event of a bad fire.

Oklahoma Notes

Cornelius M. Smith, state agent for the Springfield Fire & Marine in Oklahoma, is spending the week in Chicago.

J. V. Herd of New York, secretary of the Niagara Fire, spent last week in the Oklahoma field with T. Ray Phillips, state agent.

H. J. Clarke, chief engineer of the Oklahoma Inspection Bureau, has been confined to his home with illness for several days.

John Nathan Jones, state agent for the Phoenix of London, and Mrs. Jones are the proud parents of a 7½-pound boy, Warren D. Jones.

The Bateman & Tucker store and the Western Cash store of Canton, Okla., were destroyed by fire recently, and damage done to the front and roof of Seifer's store. Damage was estimated at \$30,000.

J. R. Pollard has been appointed office manager of the recently organized Braniff Insurance Agency, Oklahoma City, Phil Braniff, president, announced. John J. Russell has been appointed field manager.

Two tractors and one aerial ladder truck have been added to the fire fighting equipment of the Oklahoma City fire department. The aerial equipment is of special design made by Chief George Goff. Two more aerial trucks are in transit.

Fire loss estimated at \$100,000 resulted at Tonkawa, Okla., when the oil well supply warehouse of the Continental Supply Company, a sheet metal building, was totally destroyed, with large damage also to the contents. The cause was undetermined. Local firemen prevented the spread of the flames to adjoining structures, including two gasoline tanks.

Texas Notes

Devine, Tex., has just purchased entirely new fire-fighting equipment and begun the construction of a new fire station which it is believed will retain for its record of 15 percent good fire record credit.

With serious fires reported from seven Texas towns, the fire toll for last week reached another high total of \$150,000. Four fires in McKinney, the Kirkland Mercantile Company at Farmington, an entire block of business structures at Merit, the Orebaum Hardware Company at Hillsboro, three residence fires in Dallas and one at Grapeland were in the list.

IN THE SOUTHERN STATES

BANKS NOT ALWAYS SAFE BET

Recent Failures in Kentucky Refute One Argument Offered by Advocates of Banks as Insurance Agents

LOUISVILLE, Dec. 12.—One of the arguments that some insurance companies have offered in favor of using country banks or their officials for agents has been that the bank is a much safer bet and that the bank pays its balances promptly.

However, when the bank gets into financial trouble, it is no more likely to pay out in full than the agent in many cases, as the depositor comes first, and even with an assessment against stockholders, as provided by law, there isn't always enough to pay claims.

Since the war there have been a good many small town bank failures in Kentucky, some through frozen loans, and some through knavery. There have been several bank officials tried, convicted and sent to the penitentiary in the last few years for violation of that statute which makes it unlawful to accept deposits when knowing that a bank is insolvent, and some for more serious law violations.

In most cases the trouble has been through frozen assets, getting banks into a position where they could not continue. In November three banks in Perry county, Ky., closed their doors in as many days, on account of frozen assets, leaving but one remaining financial institution in the county, that being a national bank in Hazard. The Perry Bank & Trust Company of Haz-

ard, representing a consolidation last summer of two banks, in an effort to tide over a hard period, was one of those to go account of frozen assets. The Blackey State Bank at Blackey and the Lothair State Bank at Lothair were the others. These are all mining towns, in a coal mining country. The Perry Bank & Trust Company was the largest, a \$100,000 concern.

Establishes Adjusting Office

H. H. Troutman, who has had a number of years experience in farm work and adjusting, has recently established an independent adjustment office at Boston, Ky., for adjustment of all classes of losses in the state. Mr. Troutman has been with the farm department of the Royal, the Home and the Henry Clay. He has been with the independent adjustment office of J. H. Harrison, Louisville, for about two years.

Reorganize Farm Field Force

LOUISVILLE, KY., Dec. 12.—In a re-districting plan for the farm field force of the America Fore group in Kentucky and Tennessee, E. M. Ramsay is now special agent, in charge of farm agents in both states. There are men located at four points in Kentucky and three in Tennessee to serve the districts in which the companies are writing farm business.

D. W. Vestris is located at Danville, Ky. J. E. Newton at Lebanon, J. R. Claypool at Bowling Green and George E. Long at Benton.

In Tennessee Will T. Davis is located at Nashville, Lloyd McKnight is at Humboldt and J. W. Johnson at Jackson.

Secures New Members

LOUISVILLE, KY., Dec. 12.—Fifteen new members were secured for the Ken-

tucky Association of Insurance Agents in two membership meetings at Winchester and Danville.

There was a total attendance of about 50 insurance men at the two meetings and the officials of the organization were very much pleased with results. Harry B. Wilson of Irvine, Ky., president; Joe Gausepohl of Covington, secretary, and Leo Thiemann of Louisville, secretary of the Louisville Board and general membership committee chairman, were the principal speakers.

The next meetings will be held at Paducah and Henderson some time this month.

Joins Haas & Howell

ATLANTA, Dec. 12.—C. A. Meriweather has been appointed by the Haas & Howell Company as manager of its fire insurance department. Mr. Meriweather was a partner in the firm of Green & Hunt, local agents, prior to his new appointment, and has had many years of experience in the insurance field.

New Kentucky Agencies

A new agency has been established at Bowling Green, Ky., by James Pritchard, who recently returned to Bowling Green from Florida, where he had been for several years. Mr. Pritchard was formerly an auditor for the Hartford Accident in Chicago.

A new agency has also been established at Elizabethtown, Ky., by L. H. Harned, formerly with the Gabbert Insurance Agency, and F. W. Joplin, owner of a hotel property and formerly in the dry goods business, the firm to operate as Harned & Joplin. The company purchased the farm business of the Hoagland & Salzman agency at Vine Grove, Ky., as a nucleus of its agency.

Made Kentucky Colonels

LOUISVILLE, Dec. 12.—Milton C. Miller, state agent in Kentucky for the Royal, and Cad P. Thurman, state agent for the Continental, became Kentucky colonels last week, when Lieutenant Governor Breathitt, who was acting governor in the absence of Governor Sampson, issued them commissions as colonels on the governor's staff.

Virginia Notes

Mrs. Alice Lindsey Epps, mother of Frank D. Epps, Richmond local agent, died at her home in that city last week, aged 82.

Under the city's new fire prevention code, no Christmas trees, whether lighted or unlighted, will hereafter be allowed in hotel lobbies and other public places in Richmond. Notices to this effect are being sent out by Leonidas S. Jones, chief of the city fire prevention bureau.

There has been some talk lately that a stock fire company might be organized in Portsmouth, Va. Inquiry discloses, however, that there is little likelihood of the plans materializing. According to reports a former insurance agent was endeavoring to interest business men of the city in promotion of the project.

Companies on the municipal building fire at South Boston, Va., suffered an estimated total loss on a schedule of \$30,000. The fire occurred last week. Fire which destroyed Price & Shaffer's cannery, Stanley, W. Va., also resulted in a total loss to companies on the risk. There was \$10,000 contents and \$3,000 on the building.

Southern Notes

Vice-President Laurence E. Falls of the American of Newark is on a southern trip.

The R. B. Walker Company and the Hollywood Insurance Agency, both of Hollywood, Fla., have been merged into the Walker-Duff Company. William N. Duffy has been manager of the Hollywood Insurance Agency for several years.

Kentucky Notes

D. W. Fowler, head of the Fowler Insurance Agency of Louisville, is away on a vacation, planning to spend a month in Florida.

Dudley E. Denton, fire insurance agency operator and president of the Citizens National Bank at Somerset, Ky., has been laid up with illness for the past four months.

Donald H. Putman of Ashland, Ky., a world war veteran and prominent business man in eastern Kentucky, has retired from other business connections and will join his brother, Louis R. Putman, in the insurance business there.

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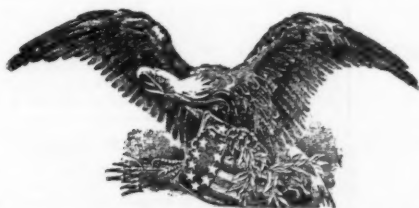
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PACIFIC COAST

RESTRAINS CAPITAL INCREASE

Court Rules Against Pacific National
Fire's Assessment Method of
Increasing Capital

SAN FRANCISCO, Dec. 12—By a decision of Judge J. T. B. Warner of the Tuolumne county superior court, the Pacific National Fire is restrained from enforcing its assessment order of last May when it levied a \$40 assessment to increase its capital. This action was taken immediately after the control of the company passed into the hands of the Bank of Italy interests.

The suit was brought by J. L. Gibbs of Tuolumne county, a minority stockholder, who contended that the levy was illegal in that it proposed to use the money thus collected for the purpose of increasing the company's capital eight times and to raise \$2,000,000. It was alleged in the complaint raising or increasing the capital in this manner was not in accord with the California law which provides ways and means of increasing a corporation's capital stock.

Action Has Been Pending

The action has been pending for several months up in the remote section of the state where a number of stockholders are said to reside although it was generally understood in insurance circles in San Francisco that the Bank of Italy had approximately 85 percent of the stock when it made the transfer.

According to the report of the case the judge upheld the contentions of the plaintiff and that an appeal is expected. In the meantime the money that has been collected is being held by the company and if the decision is upheld it will have to be returned to the stockholders. Among the allegations was the contention also that such an assessment created a condition that some of the minority stockholders were unable to meet.

Pacific American Gets Acme

Control of the Acme Fire has been obtained by the Pacific American Fire. Lee A. Phillips, president of the Pacific American, announced that stockholders in the Acme have received Pacific American stock, but that the Acme will continue as a separate company. When the transfer was made the total assets of the Acme were \$515,830. Officers of the company will be replaced by officers of the Pacific American.

Control of Company Unchanged

F. W. Beck, secretary of the Insurance Securities Corporation, Hollywood, Cal., states that the item published in a recent issue to the effect that Harley Moore and Ed. G. Doerfler have taken over the Insurance Securities Corporation, Hollywood, is not true.

Clarke Changes Companies

Thomas B. Clarke, superintendent of agents for the Crum & Forster fleet on the Pacific Coast, has resigned effective Jan. 1 to join the Automobile of Hartford in a similar capacity.

Washington Pond to Celebrate

The Washington Blue Goose will hold its annual banquet and ball Dec. 29 at Spokane. The master of ceremonies will be Stoddard King. The committee in charge consists of D. A. McKinley, chairman; A. D. Richards and R. J. Sigel.

Glee Club Gives Concert

SAN FRANCISCO, Dec. 12—The Fireman's Fund male glee club gave a public concert at the company's head office in San Francisco Friday evening. The organization, composed entirely of employees, has attracted considerable attention by its harmony. James H. Todd, leader of the Bohemian Club orchestra,

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conducted the numbers with William Glassman as accompanist. Ruth Heeney, soprano, also contributed several selections. There was a large gathering of music lovers from the city's insurance district in the audience.

Montana Department Issues Warning
The Montana insurance department,

under the direction of Commissioner Porter, has sent out a warning card to the Montana newspapers. It gives seven reasons why the purchase of insurance from companies not licensed in the state is not a good investment. The commissioner reports a multitude of inquiries from Montana citizens concerning mail order and unauthorized companies.

NEWS FROM EASTERN FIELD

COURT DISSOLVES COMPANIES

Decrees Issues Against 24 in Liquidation Proceedings Instituted by Pennsylvania Department

HARRISBURG, PA., Dec. 12.—Decrees dissolving 24 insurance companies chartered under Pennsylvania laws have been issued by the Dauphin county court, in proceedings instituted by the insurance department. The court in its order directed that under escheat proceedings the liquidators of the companies turn over to the state treasurer all remaining funds. The amounts to be received by the state from the companies range from \$8.17 to \$5,859.43. The latter amount will be received from the American Union Fire. The total for the 24 companies is approximately \$13,100.

Companies Dissolved

Among the companies dissolved by the court order are: Guaranty Mutual Fire; Flood City Mutual Fire, Johnstown; Textile Mutual Fire, Schuylkill Haven; Industrial Mutual Fire, Reading; William Penn Fire, Pottsville; Central Mutual Fire, Lebanon; Exchange Mutual Fire; Sterling Mutual Fire, Schuylkill Haven; United States Mutual Fire; Steelton Mutual Fire; Lahaska Mutual Fire, Philadelphia; Scranton Fire; York County Mutual Live Stock; Manufacturers & Merchants Mutual Fire and Provident Mutual Fire Insurance Company.

Commissioner Suggests Changes

Commissioner Carville D. Benson of Maryland has forwarded to Governor Ritchie several recommended changes in the state insurance laws, which will be introduced at the meeting of the state assembly next month.

One of the changes gives the commissioner authority to act in cases of companies whose capital has become impaired and another requires a surplus of \$100,000 for fire, marine or life companies before doing business in Maryland.

The third bill is to reduce the license fee for agents representing stock fire and marine insurance companies of other states and foreign countries from \$10 to \$2 and the fee for solicitors representing stock fire and marine insurance companies of other states and foreign countries from \$5 to \$2.

District Code Passed by Senate

WASHINGTON, D. C., Dec. 12.—The proposed insurance code by the District of Columbia, already passed by the Senate, is now before the House District committee. Insurance Commissioner T. M. Baldwin is actively backing the measure. The National Board is opposing it because of its objectionable rate regulation feature.

Exchange Officers Nominated

J. D. Smart, special agent of the New Hampshire in Massachusetts, has been nominated for the first vice-presidency of the New England Insurance Exchange. H. C. Seydel, special agent of the Home of New York, H. P. Warren, special agent of the North British & Mercantile and H. F. Still, special agent of the Columbia of New Jersey, have been nominated for executive committee membership. The president and other officers of the organization hold over for another year.

RECOMMENDS TAX REDUCTION

Valuation of Company Stock by Market Selling Price Makes Present Law Unfair

BALTIMORE, Dec. 12.—A reduction in taxes on the capital stock of insurance companies chartered in Maryland will be recommended by the committee appointed by Governor Ritchie.

This committee is composed of Arthur W. Machen, Jr., chairman; United States Senator-elect P. O. Goldsborough, Charles C. Wallace, Harry E. Gilbert and F. Brooke Whiting of Cumberland.

The state tax commission has fixed the valuation of the capital stock upon the selling price on the market.

Taxes Increase

In some cases the speculative movement has carried the selling price of the stock up to two or three times its former value. Upon the inflated valuation the stock pays an annual dividend of about 2 percent and during the same period the tax paid at the expense of the stockholder has doubled or tripled.

In one case a company was compelled to earn 15 percent in its capital before it could begin to pay salaries, wages and other expenses of doing business, to say nothing of dividends.

Probe Non-Boarders' Practices

PHILADELPHIA, Dec. 12.—Charges that the non-board companies are not adhering to the schedules they filed themselves as required by law formed the basis of a second hearing of the subject held by Commissioner Taggart. He reserved decision in the matter.

According to reports in insurance circles, the non-board companies are said to have depended on the tariff of board companies as the basis for their rates rather than their own tariffs.

Munns Made Majestic Agent

Walter A. Munns, Philadelphia manager of the Independence Fire, has been named agent of the Majestic Fire of New York, which recently joined the Philadelphia Fire Underwriters Association. Two directors of the Majestic Fire are directors of the Independence Fire.

Arthur F. Howard Dies

Arthur F. Howard, for several years well known throughout New England as adjuster for the Granite State Fire, died at a New Haven, Conn., hospital last week, following a major operation. He was the son of Col. Alfred S. Howard, for many years president of the Granite State Fire. Mr. Howard was born in Portsmouth, N. H., 56 years ago and was a classmate at Amherst College of President Calvin Coolidge. He was appointed adjuster for the Granite State Fire in 1905. He was a member of the New England Insurance Exchange and he had served in the New Hampshire legislature. He made his headquarters in Boston.

Maryland Licenses Companies

BALTIMORE, Dec. 12.—The following fire insurance companies have been licensed to do business in Maryland by Commissioner Benson: Empire State, Watertown, N. Y.; Halifax Fire, New York City; Philadelphia National; Cosmopolitan Fire, New York City.

Joins Hartford General Agency

HARTFORD, DEC. 12.—Donald Dick, one of the underwriters of the sprinklered department of the Automobile, has resigned to become state agent for Wakefield & Morley, one of the oldest

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if you had read last month's

A & H REVIEW

to companies, many of whom are already withdrawing from the province.

Whether the Municipal Hail Board in Alberta is a success has been criticized by the "Calgary Herald," which proceeds to point out that a maximum rate of 18 percent was imposed in 1927, notwithstanding the use that year of practically the whole of the accumulated reserve of over \$750,000, and if that reserve had not been used, the rate would probably have been nearer 25 percent. In 1928, the maximum rate was again established at 18 percent, and the reserve still depleted. The companies' maximum rates, on the other hand, were 12 percent in 1927, and 15 percent in 1928, and the question might therefore well be asked what justification was there for the higher rates charged by a cooperative organization before the season opened. Investors in farm mortgages in the province are vitally concerned because the municipal hail premiums are collected as taxes, and take priority over mortgages.

Quebec Blue Goose Meeting

At a special meeting of the Quebec Blue Goose, the resignation of A. M. Stewart, most loyal gander, was accepted. Mr. Stewart was thanked for the efficient manner in which he had carried on the affairs of the Quebec pond during the past two and a half years. Frank E. Duffy was appointed to succeed Mr. Stewart as most loyal gander. Other officers elected were: Supervisor, D. A. Hanson; custodian, J. R. Sherritt; guardian, S. M. Elliott; keeper, L. Gittleston; acting welder, L. Gittleston.

Report Canadian Losses

The St. Vital block, Winnipeg, was completely destroyed by a fire believed to have been due to short circuit in the electric lighting system last week. Nobody was in the building at the time, due to the fact that a new boiler was being installed. The building was a three-story structure. The estimated damage is put at \$22,000.

An entire block was destroyed by fire at MacTier, Ont., last week. Among the losses were a large rooming house, a

billiard hall, two residences and several neighboring structures. The fire fighting apparatus failed to work and for a time it seemed as though the whole town would be in danger from sparks and fire brands. The damages were estimated at \$35,000.

St. Paul F. & M. Appointment

ST. PAUL, Dec. 22.—Rene W. Wetherald has been named assistant superintendent of agencies for the St. Paul Fire & Marine group at Toronto. He is familiar with the Canadian end of the business as he was for several years detailed to that work at the home office.

Losses Continue to Grow

According to the "Monetary Times," fire losses in Canada for the week ending Nov. 28 are estimated at \$241,500, as compared with \$123,900 for the corresponding week of 1927.

From Jan. 1 to Nov. 28, 1928, fire losses in Canada are estimated at \$16,967,300, as compared with \$14,961,100 from Jan. 1 to Nov. 30, 1927.

Visits Canadian Office

H. Macnabb, fire manager of the Eagle, Star & British Dominions of London, is visiting the Canadian head office in Toronto.

Appointed General Agents

Weber Brothers of Edmonton, Alta., have been appointed to act as general agents of the First American Fire for Alberta.

Brydges & Waugh have been appointed to act as general agents for Saskatchewan, in addition to Manitoba for the National Union Fire.

Canadian Notes

The Merchants & Manufacturers Fire has been licensed in Canada. Norman S. Jones of Hamilton, Ont., has been appointed as chief agent in Canada.

Charles F. Swayze, proprietor of the general insurance agency in Niagara Falls, Ont., bearing his name, was chosen mayor of Niagara Falls at the election last week. Mr. Swayze was a member of the provincial parliament from 1919 until 1923, becoming an alderman in 1924. He also has served for four years as a member of the board of education.

MARINE INSURANCE NEWS

LLOYD IS AIR MEET SPEAKER

Vice-President of Barber & Baldwin Tells Details of Aviation Insurance Covers

G. L. Lloyd, vice-president of Barber & Baldwin, New York agents specializing in aviation insurance although writing a general line of business, presented a paper on "Aviation Insurance in America" at the International Civil Aeronautical Conference, held in Washington, D. C., Dec. 12-14. Mr. Lloyd explained the various covers available to persons in any manner concerned with aviation and told how each is written and why rates are as they are. In the cases of most of the lines, rates were quoted. The covers included in the paper are: Fire, accidental damage, tornado, theft, public liability, passenger liability, property damage, personal accident, workmen's compensation, cargo and life. In concluding his paper Mr. Lloyd said:

"The history of marine insurance seems to offer the best analogy of how aviation insurance may be expected to develop. At first the risks insured were few and the dangers of loss great. The sea captains themselves were the underwriters, and by carefully selecting masters and vessels they knew well and by rating the risks according to the individual merits of each they managed to keep the basis of underwriting sound and helped build the merchant marine of today. In much the same way the work of the aviation underwriter is colored by his entering into the varied details of each flying venture submitted to him."

ROBBERY OF PLANES FEARED

New Hazard Seen by Companies That Are Writing Registered Mail Insurance

NEW YORK, Dec. 12.—Some little concern is being manifested by companies handling registered mail insurance over the possibility of robbery of mail carrying planes. They appreciate the fact that the machines are not infrequently forced to make emergency landings and often at points distant from population centers and beyond police protection of any kind. With the rapidly growing use of airplanes, almost every outgoing machine, especially those traveling between this city and Chicago, carries registered mail, the value of which often mounts well into the millions. Stocks bought on the New York market are sent west for delivery to purchasers and as the time element is an all-important one in such connection, airplanes are used in the mailing rather than the slower traveling rail routes.

That the hazard to which registered mail is subjected through the destruction of planes by fire or collision is a severe one, the payment of a number of heavy losses by interested insurance companies in the recent past sufficiently attests. To this hazard is added the potential one of robbery, notably of deserted planes which may drop at points considerably away from that at which the aviators, sensing danger, may jump from their machines via the parachute route. It is quite conceivable that a plane thus deserted, unless the aviator had time and forethought to shut off the

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motor before jumping, will be totally destroyed by fire, or if landing intact may come down in a lonely district where the looting of its valuable contents would be a comparatively easy task. It is this possibility that is worrying the companies writing this business just now, and is responsible for the study being given the matter by managers. Rates for registered mail shipped by mail carrying airplanes range from 10 cents to 22 cents per \$1,000 of liability, graduated according to the distance covered.

PILFERAGE LOSSES MOUNTING

Situation in New York Worrying Shippers and Vessel Owners as Well as Marine Offices

NEW YORK, Dec. 12.—Theft or pilferage of goods on ships or on the piers at the port of this city have assumed such proportions as to greatly excite shippers and vessel owners as well as marine offices, and it has been demonstrated that the small force of police available for protection is wholly inadequate. A special meeting to consider the general question was held in the Maritime Exchange here a short time ago, at which plans for checking the evil were considered. It was declared that the harbor is infested by criminals who operate at least 300 boats that prey on cargoes entering or leaving the port, and that some of the pirate craft are equipped with machine guns and manned by former convicts.

Remedies offered for dealing with the situation were the creation of a larger and better equipped police force, including secret agents; the enactment of stricter laws with mandatory penalties for waterfront crimes; better cooperation between police and the courts for dealing with criminals after their apprehension; stabilization of longshore labor working conditions; licensing and registration of teamsters and of motor boat operators by the police and the construction of theft-proof piers and wharves.

Esquerre Joins Empire

Henri P. Esquerre, formerly with the marine department of the North America, has joined the staff of the Empire Fire of New York as assistant manager of its inland marine branch.

John A. Weisbeck Dies

BUFFALO, Dec. 12.—John A. Weisbeck, 68 years old, Great Lakes region representative for Lloyds of London, died last week in his home in Buffalo, after a year's illness. He had been prominently identified with marine underwriting on the Great Lakes for many years, having been especially well qualified for this work through his training as a marine surveyor and later experience in many of the fields related to navigation on the inland waterways.

Many Paying Extra Rate

BUFFALO, N. Y., Dec. 12.—Many steamers which will load at and clear from upper lake ports in the next few days are being covered by special insurance on which a premium of 1½ percent prevails. Delays in loading grain has been the cause of holding many big freighters until the very close of navigation and has given the marine underwriters exceptional business at prevailing rates, which are double those charged a year ago when the underwriters suffered heavy losses through many boats being frozen in the Lake Superior and Lake Huron channels and being damaged with their cargoes. Prospects today were that there would be no such general happening this year, although ice was reported forming rapidly in some regions.

J. Floyd Johnston Dies

J. Floyd Johnston, who had been with the Appleton & Cox marine insurance organization for the last 36 years, died in Essex, Conn., Dec. 7. He was 63. He was taken to Essex following an operation for a serious internal trouble in September and never recovered strength. At the time of his death he was vice-

president and director of Appleton & Cox and a director of the United States Merchants & Shippers. He was well known in marine underwriting circles

and served actively on many committees of marine insurance organizations. He was particularly able in handling marine insurance claims.

MOTOR INSURANCE NEWS

UNIFORM THEFT LAW NEEDED

Urged by Many Influential Organizations but Adopted in Only 25 States So Far

NEW YORK, Dec. 12.—Though the adoption of uniform automobile anti-theft laws has been urged by such representative organizations as the American Automobile Association, National Automobile Chamber of Commerce, National Automobile Dealers' Association, Motor & Accessory Manufacturers Association, National Board, National Association of Insurance Agents, Chamber of Commerce of the United States, and the United States Department of Justice, only 25 states have thus far enacted such statutes.

Under such a law original registrations of automobile owners would be possible and would go a long way toward checking the theft of cars. Need for uniform statutes in this respect is recognized as being as essential as on the subject of negotiable instruments or on any other subject whereon uniformity has proven desirable. The motor vehicle may be as easily transported from one state to another as negotiable instruments or bills of lading, and theft or fraud is equally as easy.

No other system has been agreed upon and adopted already by so many organizations and states and the sys-

tem needs only to be adopted by the remaining commonwealth in order to meet the theft and fraud problem effectively.

Motor Carriers Association Formed

DALLAS, TEX., Dec. 12.—The Texas Motor Carriers Association has been formed here by a group of the transportation committee of the Dallas Chamber of Commerce. The effective plan calls for a uniform bond of \$5,000 for each operator of a motor freight line and insurance at \$10,000 on each hauling unit. The representatives of the motor freight lines approved the plan. Insurance will protect the shipper against every form of loss, from the time the truck operator receives the shipment until it is delivered. The organization will not attempt to write insurance for the members, but the operators will obtain protection from the various companies.

Probe Auto Insurance Sales

WARREN, PA., Dec. 12.—The Warren Automobile Club is investigating recent sales of automobile insurance by J. C. Kelly, giving his home office as Erie, Pa. For \$18.50 cash or \$25 terms Mr. Kelly sold many policies to automobile owners in this vicinity, offering fire, theft and other coverage, also free road service and the further advantage of supposed right to purchase supplies at low cost. Those who paid the full or part cost of the insurance say they have received no policy or other acknowledgment to date.

MEMBERS STARTLED BY LIEN ON REAL ESTATE

(CONTINUED FROM PAGE 14)

the matter being handled by Samuel R. Harper of that firm. The judgment entered by Judge Kerner of the circuit court of Cook county recites the legal fact that each of the members had been notified by "due personal service of process of summons," the record showing service on the attorney-in-fact and the director of trade and commerce. The judgment entry was as follows:

This day comes the plaintiff by its attorneys and it appearing to the court that due personal service of process of summons issued in said cause has been had upon the defendants and each of them for at least ten days before the first day of this term and they and each of them being now here three times solemnly called in open court come not nor does any person for them or either of them, but herein said defendants and each of them make default which is, on motion of plaintiff's attorneys, ordered to be taken and the same is hereby entered herein of record.

Damages to Plaintiff

Wherefore the plaintiff ought to have and recover of and from the defendants and each of them its damages sustained herein by reason of the premises.

Thereupon reference is had to the court to assess the plaintiff's damages herein and the court now here, after hearing all the allegations and proofs submitted herein by the plaintiff and being fully advised in the premises, assess plaintiff's damages in the sum of \$15,765.53.

Therefore, it is ordered by the court that the plaintiff, Ohio Millers Mutual Insurance Company, a corporation, do have and recover of and from all of the individual defendants herein and each of them its said damages of \$15,765.53 in form as aforesaid by the court assessed, together with its costs and charges in this behalf expended, and have execution therefor.

R. E. Welling, aged 50, an insurance man of Coshocton, O., is reported missing from his home. He is a cripple and had been in ill health.

COOK COUNTY FIELD MEN BACKING BOARD

(CONTINUED FROM PAGE 5)

full meeting preceding the Field Club session. As it was the sense of the first meeting that the Cook county specials will do all possible to make the new rules effective, the resolution is in effect a confirmation—a concrete expression—of the specials' opinion.

A pledge card which reads as follows is being distributed to all Cook county specials for their signature:

"I . . . an active member of the Cook County Field Club, representing . . . do hereby pledge that I will not offer or pay in any manner commissions other than those established by the rules of the Chicago Board of Underwriters, and in all other respects will observe the rules and regulations of the board."

Club's Life Revived

It is expected that all the members of the club will sign and that as a result of this week's meeting the club eventually will have 100 percent membership among the Cook county special agents. That this belief is not unsoundly based is evidenced by the fact that at the meeting about 20 applications for membership were taken.

The present Field Club was organized in 1914. Similar organizations have been in existence in Cook county for the last 30 or 40 years. George Coleman, then Cook county special agent of the Royal, was the first president of the present club. He is now Cook county manager of the America Fore group. In recent months the club had become somewhat listless in its operation. It has now been revitalized and in its connection with the Chicago Board, whatever that eventually may be, will likely become one of the most vigorous bodies of its kind in the fire insurance business.

An executive committee meeting of the club was called this week to make plans for the annual meeting, the date of which is Dec. 18. To press time the

place of meeting had not been learned.

Qualifications for membership in the club are simple. They are only that a man must represent as Cook county special agent a stock fire company.

FEAR DEMORALIZATION IN AUTO INSURANCE

(CONTINUED FROM PAGE 5)

the 1929 rates and rules. All data is in hand for issuing the new manual at an early date, and unless the casualty companies are prepared to cooperate with the fire men as to collision rates, the latter will name their own figures for the hazard.

The automobile business was highly profitable in 1927 and gives every promise of like result for 1928. The experience justifies a rate reduction for both the fire and theft hazards, and possibly with respect to the collision lines, though to a far more modest degree. However, it may be that the conference members will decide to ignore the experience as to any particular division of the line, and consider merely the over-all result, and this will warrant a material rate concession.

The casualty men have been hampered in determining upon collision rates for 1929 through the defection of the two powerful Travelers companies from the National Bureau, together with the unlooked for results in New Hampshire and Massachusetts, and on that account will not consider it an unfriendly act if the fire men name their own figures for the collision coverage at this time.

While the highly unsatisfactory state of affairs in the automobile line just now applies to the eastern territory, should a period of more or less demoralization ensue here, it would be difficult to prevent its spreading to other sections of the country, a contingency that company officers fully appreciate and one which it is hoped they will use every possible means at command to forestall.

Hold Regional Meeting

A regional meeting the Texas Association of Insurance Agents was held at Pecos a few days ago. The conference was under the direction of the state association. E. L. Elchlin of El Paso, chairman for the district, presided at the meeting. Proposed legislation and problems confronting the general and local agents and the companies were discussed. Charles L. Duncan of Mount Pleasant, president of the state association, and D. G. Foreman of Fort Worth, secretary, attended the session. J. W. Deweese of the state fire insurance commission was also present. Some 75 insurance men attended.

Study West Virginia Legislation

The legislative committee of the West Virginia Association of Insurance Agents, J. A. Shrewsbury, chairman, met last Friday to consider legislative matters to be backed by the state association. This meeting was also attended by R. P. DeVan, president of the National association, and Mr. Kincaid of the state association, as well as Mr. Thornburg, secretary of the association, and some 20 other agents. No definite announcement of the action was determined upon until after conference was had with the state insurance department, with whom the agents desire to work in the matter.

Wants Laws Modernized

FRANKFORT, KY., Dec. 12.—Recodification of the insurance laws of the state and appointment of a commission to study insurance legislation are recommendations embodied in the annual report of the state insurance department by Shelton M. Saufley, insurance commissioner.

Kentucky has no casualty or group insurance law, Mr. Saufley's report said, and is behind other states in the insurance law on the statutes. Ample finances are available for the study of the state's insurance needs, he said.

The report indicated an increase in the revenue collected by the insurance department and a decrease of approximately \$2,600 in the cost of operating the department.

The National Underwriter

December 13, 1928

CASUALTY AND SURETY SECTION

Page Forty-one

REVIEWS ACTIVITIES OF NATIONAL COUNCIL

**Important to Study Compensation
Losses by Size of
Risk**

OPTIMISTIC OVER WORK

**General Manager Leslie Predicts Busy
Year as Legislatures Meet in
Many States**

NEW YORK, Dec. 12.—In the course of his extended review of the activities of the National Council on Compensation Insurance from the date of its latest annual meeting last February to the present time, William Leslie, general manager of the organization, set forth the attitude of the different states toward the latest rate revisions. He referred to the study of loss ratios by size of risks as "the most important problem" considered during the year.

"Following the meeting of the rates committee on Feb. 17, 1928," he said, "a call was issued for loss ratio data by size of risk, covering states for which such data were not already available. The purpose of the call was to permit the council staff to study the differences in loss ratio between small and large risks in the light of countrywide experience and to recommend to the rates committee such program for the elimination of the indicated differentials as might seem desirable.

Imposed Heavy Burden

"The filing of the data imposed a heavy burden upon the carriers and it would be ungracious not to express appreciation for the cooperation they gave in the effort to get the data in our hands promptly. Despite their best efforts, however, it was several months past the filing dates before we could close the call and proceed with our tabulations. The volume of detailed work in connection with the tabulations and the derivations of loss ratios upon a manual rate basis was enormous, and necessitated not only a temporary addition to our statistical force but also a considerable amount of overtime work.

Submitted to Committee

"A program based upon this study has been submitted to the rates committee to be acted upon immediately following this annual meeting. Suffice it to say that this program recognizes a tendency for the manual loss ratios of risks under \$300 in annual premium to be worse than those above that size, but does not recommend loss constants as the remedy. On the contrary, it is proposed to load the manual rates for part of the off-balance of rating plans as measured by the ratio of manual to collected premiums in the supervised states, and leave a factor in the experience rating plan sufficient to care for the remainder of the off-balance. This scheme will eliminate on the average all of the indicated

FETZER REELECTED AS CLEARING HOUSE HEAD

MEETING HELD IN NEW YORK

**R. P. DeVan Made Vice-president—
New Board of Directors Chosen
for Organization**

NEW YORK, Dec. 12.—The Casualty Information Clearing House at its annual meeting here this week reelected Wade Fetzer of Chicago president. R. P. DeVan of Charleston, W. Va., was chosen vice-president; Henry Swift Ives, vice-president and secretary, and George E. Turner, treasurer.

The directors are E. S. Lott, United States Casualty; F. Highlands Burns, Maryland Casualty; Charles Bowen, Standard Accident; David Van Schaack,



WADE FETZER

Aetna Casualty; J. S. Rowe, Metropolitan Casualty; C. H. Holland, Independence Indemnity; J. A. Nelson, New Amsterdam Casualty; A. Duncan Reid, Globe Indemnity; J. W. Henry, Pittsburgh; George D. Webb, Chicago; W. G. Wilson and O. G. Strong, Cleveland; J. H. Carney, Boston; T. C. Moffatt, Newark; T. E. Braniff, Oklahoma City.

differential by size of risk and will be simple to apply and easy to understand. The experience of all carriers for policy years 1924-25-26 is set forth and the significant facts revealed thereby defined.

In conclusion Manager Leslie said: "As indicated by the foregoing, the most important work of the year has been that devoted to the study of loss ratios by size of risk. The mere undertaking of this study enabled us to secure what had hitherto been impossible to obtain, namely, an agreement to make immediate correction for the off-balance of the experience rating plan. As an outcome of the study, the rates committee now has under consideration a program that substantially eliminates the differentials in loss ratios between large and small risks and at the same time provides an ade-

COMPANY EXECUTIVES AND AGENTS CONFER

PRESIDENT GIVES DINNER

**Many Prominent Company Men and
Agents Present at New York
Joint Conference**

NEW YORK, Dec. 12.—The executive committee of the National Association of Casualty & Surety Agents met here Monday and had a dinner Tuesday night at which were present the members of the conference committee of the International Association of Casualty & Surety Underwriters. The agents' committee consisted of W. G. Wilson, Cleveland; J. W. Henry, Pittsburgh; George D. Webb, Chicago; C. H. Burras, Chicago; T. C. Moffatt,



W. G. WILSON

Newark, N. J.; John M. Harrison, New York City; T. E. Braniff, Oklahoma City; G. Arthur Howell, Atlanta; Dorr C. Price, Chicago.

President Wilson gave a dinner Tuesday night to the officers and members of the executive committee of the agents association and the company organization. Prior to the dinner the joint conference committee met. The company men present were: F. J. O'Neill, Royal Indemnity, and F. Robertson Jones, president and secretary respectively of the International Association of Casualty & Surety Underwriters; C. H. Holland, Independence Indemnity; Edson S. Lott, United States Casualty; A. Duncan Reid, Globe Indemnity; W. A. Edgar, United States Fidelity & Guaranty; J. A. Nelson, New Amsterdam Casualty; J. M. Haines, London Guarantee & Accident; W. L. Mooney, Aetna Casualty, and W. G. Curtis, National Casualty.

quate allowance for the off-balance of rating plans. The program involves no change in the present rate making procedure except to recognize the failure of rating plans to reproduce on the aver-

(CONTINUED ON PAGE 53)

PROGRESS IN SOLVING PROBLEM IS REPORTED

Colonel Stoddard, Chicago Arbitrator, Returns East Following Conferences

SOLUTION IS FORESEEN

Fidelity and Surety Men of West Believe Acquisition Cost Situation Will Be Clarified

Progress is being made toward solution of the Chicago fidelity and surety acquisition cost problem, Col. Francis R. Stoddard, arbitrator for Chicago and New York, reported before he left the western city for the east last Friday. After a special meeting last Monday Colonel Stoddard conferred individually with most of the managers in Chicago to learn their views, and later in the week he met the executive and acquisition cost committee of the Surety Underwriters Association of Chicago as a body.

This committee of six Chicago managers now is to confer individually with each member of the Chicago association to learn what preferential appointments each numbers among the offices producing business for him and to make recommendations for retaining or discontinuing these appointments. Thereafter Colonel Stoddard will be called in again—probably not until after the first of the year—to meet with the committee and discuss, with a view to final settlement, the recommendations made.

Appeal Can Be Taken

Appeal can be taken from the local committee to the national committee, whose judgment is final. Pending an appeal a local office is within its rights to continue operating as it had been. It is the belief of most of the Chicago men that the local situation there can be cleared up without resort to appeals.

In the main the Chicago difficulty goes back to the preferential appointments made by a member of the local offices of large companies years ago, when fidelity and surety were younger and before costs and rules became the serious matters they now are. To this time each of the large local offices has been operating on the basis it thinks best, and for this reason it is highly unlikely that any of the old or new offices will ask for preferential treatment under the new rules beyond that now allowed.

Two Views Taken

As the business continues, present preferential appointments will be retired through deaths, realignments in agencies or cancellation of contracts, and they will not be replaced. One view of the Chicago situation is that this gradual retirement will cause less bad feeling, will result most satisfactorily for all concerned, than will any other

(CONTINUED ON PAGE 54)

GOVERNMENT MEDDLING IN BUSINESS RAPPED

TURNER SPEAKS IN DETROIT

Says More Public Education on Precise Nature of Insurance Taxation Is Needed

George E. Turner of Chicago, counsel of the Casualty Information Clearing House, addressed the meeting of the Insurance Federation of Michigan in Detroit on "Insurance Legislation." In part he said:

"Domestic corporations are creatures of the state and foreign corporations may do business within the state only by virtue of the privilege extended them so to do. The conditions upon which the domestic corporation may be organized and the foreign corporation may operate are, therefore, subject to be fixed by legislation and these conditions so fixed as to insurance corporations make up the body of our insurance regulatory law. The result is that 47 states hold sovereign power to alter or terminate as to their own domain the franchise of the company domiciled in the 48 states. Since the bulk of the business is done by companies each of which operates in at least 40 states, the conditions of their operating franchises are stable for only 12 months' duration as to certain important units of their plants and for not to exceed 24 months' duration as to any part of them. The rules of conduct are ex parte rather than contractual in their making and are adopted by the vote of a majority unfamiliar with the fundamental operations of an insurance company.

"No word of mouth argument would be sufficient to convince an American business man of the remote possibility that under such conditions any business national in its scope could be developed. Even now there is but one argument sufficient to convince us that such a thing could be accomplished, and that is the fact that it has been done.

Insurance Assets Target

"Within the last 20 years insurance in some degree has been within the grasp of more than 400 legislative assemblies. Its vast accumulation of assets has stood out before their eyes. It has stood exposed to the experimentation of legislative quacks and been compelled to submit to the treatment of the tyro.

"Insurance legislation will never be determined by what insurance men want for insurance merely because they ask for it, no matter how righteous may be their cause. Our efforts must be based on something more substantial than that which we seek for ourselves. We find a perfect illustration in the outcome of the fight against state insurance. The general failure of the well organized plan for promoting state insurance is not due to any kindly feeling or consideration for insurance companies as such. State insurance has been held in check by a well defined public sentiment against the interference of government in business.

Premium Taxes Barnacles

"The ineffectiveness of legislative efforts by insurance men for insurance are well demonstrated by the present situation in the matter of taxes. Probably no single phase of legislation has so constantly engaged the attention of insurance men and employed legislative personnel as has that of taxation. More energy has been spent upon legislatures to the end of holding insurance taxation within the bounds of reason than for any other purpose. At the same time the people have seen nothing in the subject which interested them or which threatened the integrity of their insurance contracts. They have not been brought to understand that insurance

NEW HAMPSHIRE RATE CONTROVERSY SETTLED

RESTORE OLD AUTO SCHEDULE

Injunction Dissolved With Signing of Agreement—Will Refund Impounded Premiums With Interest

CONCORD, N. H., Dec. 12.—A 12 months' controversy between the casualty companies writing automobile liability insurance and the insurance commissioner over automobile liability rates in New Hampshire was ended last week when the companies signed an agreement restoring the old rates in effect before Dec. 11, 1927, and agreed to pay back to the policyholders the impounded funds, representing the amount of increase in rates collected during the past year, with interest at 4 percent. The companies may not again increase rates without reasonable notice to the commissioner.

The casualty companies put an increase in automobile liability rates into effect in New Hampshire last December. Commissioner John E. Sullivan objected to the rates as being unwarranted by the experience in the state. He ordered the companies to show the reasonableness of the rates but the information he requested was slow in forthcoming, or was not produced at all. The commissioner, as a consequence, refused to renew the licenses of some two score companies when renewals came up for consideration in April.

Injunction Dissolved

The companies went to court and secured an injunction against the commissioner, nullifying his refusal to renew the licenses and the companies kept on doing business. The court stipulated, however, that the companies must impound with the commissioner all premiums collected above the rates in effect as of Dec. 11, 1927.

At the hearing held the companies produced the information desired by the commissioner but their contention that he was without authority to refuse to renew licenses was overruled by the court and the injunction was ordered dissolved. The injunction was dissolved the past week upon the signing of the agreement.

premium taxes are but barnacles upon their own policies.

"Life insurance has outstripped the other branches of the business in the matter of manning its defensive works with the hosts of its own policyholders. A legislature had as well attempt to legalize the invasion of men's homes as to attempt a recognized invasion of their life insurance. However, it does not follow that life insurance may rest on its present accomplishments or that it is beyond the reach of blighting legislation. There are teachers of false doctrines at work and policyholders may be deceived.

Other Branches Lag

"As to other branches of the business a different situation prevails. The result is that where, in the one case, a mighty ally is at hand, in the other, insurance is left to rely upon its own defenses, manned by its own enlisted personnel, with little hope for public intervention short of a threatened defeat of exterminating proportions. Furthermore, this public has not shown discriminating judgment as to what constitutes a vital thrust at some of these lines, and insurance is to blame for the lack of its training. To what are we to attribute this difference in the attitude of the public toward the different branches of the business? Largely, I think, to the attitude of the business itself. We have those with us who cannot see insurance for insurance compa-

CHECK FORGERY LINE IS EASY ONE TO SELL

MAGUTH ADDRESSES CLUB

Specialist Tells Casualty Men How Line Developed and May Be Written

"Check forgery insurance is one of the easiest lines the agent has to sell and is one of the cleanest lines written," said Frank L. Maguth, Chicago manager of the General Indemnity of Rochester, N. Y., a company that specializes in the cover, when he spoke at the monthly meeting of the Casualty Field Club in Chicago this week. "Check forgery insurance is about 10 years old," he said, "but the premiums from it are between \$5,000,000 and \$6,000,000 annually, which is sufficient proof of the need for it and the ease with which it can be sold."

Mr. Maguth said that the average business man's conception of forgery is that it is duplication of his signature, usually on a check. This view is faulty, for forgery is "any writing done with the intent to defraud," and includes fraudulent writing on checks, notes, drafts and other commercial paper, and includes counterfeiting. There are four principal forms of forgery insurance—depositors' forgery, commercial forgery, bankers' limited and bankers' blanket. The indemnity covers the business man's own paper 100 percent and covers almost all the paper he receives.

Losses Increase Greatly

Forgery losses have increased a hundredfold in the United States since the close of the World War, Mr. Maguth said, in spite of the efforts made to cut them. He said the commonest objection of the business man to buying forgery coverage is that only reputable people are numbered among those with whom he does business. This objection is fallacious, because forgers, rated the most able of all crooks, have many devices for coming into possession of checks and other paper and usually are a step ahead of the business man in scheming.

The argument "My bank is responsible" also has lost its force, the speaker pointed out, for the court records show that cases have been decided about 50 percent for and 50 against the banks in suits with their customers. Responsibility for his safety therefore rests squarely on the business man himself.

Endorsement Losses Heavy

Mr. Maguth said that the greatest number of current losses results from forged endorsements, and the next greatest number from counterfeited checks. He said certified check losses also add a large amount to the total, for the simple reason that too many business men accept the certification stamp as an absolute guarantee of worth.

Individual company and agency loom so large as to completely shut out any vision of insurance sufficiently comprehensive to take in its future as an institution.

"The burden of laying hold of a great fundamental principle and erecting upon it as a foundation the mechanics for meeting the insurance legislative problems of the present and the future is not that of any one branch of the business, nor of agents or companies. To be effective and sufficient, the efforts of all must be coordinated. More important than all else, is that they be coordinated upon an enduring foundation."

Sets 1929 Convention Date

The Provident Life & Accident will hold its 1929 agency convention at the Royal York hotel, Toronto, Aug. 8-10.

VOTE ON SURETY COST COMMITTEES BY MAIL

MILLER STAYS AS CHAIRMAN

Special Meeting Set for Dec. 18 in New York to Hear Stoddard's Report on Chicago

NEW YORK, Dec. 12.—A mail vote for the election of members of the national and of the New York City agency committees of the Fidelity & Surety Acquisition Cost Conference is now in progress. As members of the first named, the nominating committee recommends these companies: Aetna Casualty, Alliance Casualty, American Employers, American Surety, Constitution Indemnity, Continental Casualty, Fidelity & Casualty, Fidelity & Deposit, General Casualty, Glens Falls Indemnity, Great American Indemnity, Guarantee of North America, Independence Indemnity, Liberty Surety, Maryland Casualty, Metropolitan Casualty, Michigan Surety, New Jersey Fidelity, New York Indemnity, Northwestern Casualty, Royal Indemnity, Seaboard Surety, Southern Surety, United States Casualty and United States Fidelity & Guaranty.

New York Committee Nominees

Nominees for membership on the New York City committee include the American Bonding, Century Indemnity, Commercial Casualty, Consolidated Indemnity, Detroit Fidelity & Surety, Eagle Indemnity, Employers Liability, Franklin Surety, Globe Indemnity, Guardian Casualty, Hartford Accident, Hudson Casualty, Indemnity of North America, London & Lancashire Indemnity, Massachusetts Bonding, National Casualty, National Surety, New Amsterdam Casualty, New York Casualty, Northeastern Surety, Standard Accident, Standard Surety & Casualty, Sun Indemnity, Union Indemnity and the U. S. F. & G. Under the rules of the conference the assent of two-thirds its members insures election.

C. R. Miller, president of the Fidelity & Deposit, continues as chairman of the organization, and C. F. Frizzell, vice-president of the Indemnity of North America, as vice-chairman.

A special meeting of the Fidelity & Surety Acquisition Cost Conference will be held in this city Dec. 18, at which F. R. Stoddard, who has recently been in Chicago delving into agency conditions in that city, will submit his findings and recommendations.

The conference is proceeding steadily in its check-up of agency appointments in the different states, having virtually completed those in Kentucky, Tennessee, West Virginia, Michigan, Maryland, Delaware, Ohio and Pennsylvania, in all of which, it is understood, the regulations are generally complied with.

CHARGE COMMISSIONERS VIOLATED IOWA STATUTES

DES MOINES, IA., Dec. 12.—Charging that the state board of railroad commissioners is allowing motor carriers to operate under liability insurance policies issued by reciprocal and inter-insurance exchanges in violation of the Iowa statutes, George W. Tones and R. F. Hufstader, Des Moines insurance men, have filed a petition in the Polk county district court for a writ of mandamus, to compel the board to comply with the law. Mr. Tones is a former president of the Des Moines Underwriters Association.

The petitioners charge that the railroad commissioners have made a practice of approving such policies in spite of the ruling of the Iowa supreme court that an applicant for a motor carrier's license must file a bond issued by a company authorized to do an insurance or surety business in this state.

DISABILITY CLAUSE RESOLUTION OFFERED

Linnell Urges Standardization in Benefits to Insurance Commissioners Convention

REFERRED TO COMMITTEE

Massachusetts Official Says Competition Was Sole Agent in Development of Disability Benefit

NEW YORK, Dec. 12.—Acting Commissioner Linnell of Massachusetts presented a resolution before the National Convention of Insurance Commissioners Tuesday, dealing with disability benefits granted by life companies. It was referred to the committee on laws and legislation.

It reads: "Resolved, that present conditions resulting from the writing of disability benefits by life insurance companies are such as to require immediate action by the National Convention of Insurance Commissioners. Competition has been the sole agent in the development of the disability benefit from a relatively unimportant position in the life insurance contract to one which overshadows the principal benefit itself. The addition of the so-called 90-day clause has destroyed the significance of total and permanent disability. As a result temporary disabilities of very limited periods are now covered and life companies are largely engaged in the writing of non-cancellable health and accident benefits.

Large Losses Experienced

"Large and persistent losses in surplus are being experienced, a condition which insurance commissioners will soon be asked to explain particularly in the case of mutual companies. The dating back of claims and the diversity of practice in handling the disability benefit by different companies has made it impossible to establish a sound actuarial basis for the calculation of adequate premiums and reserves.

"Moreover, an increase in rates for a fundamentally unsound underwriting proposition can be no cure for the situation inasmuch as experience in such cases shows that the claim rate rises faster than the corresponding increase in premiums. Where increases in premiums have been made companies have granted other concessions that have nullified the value of the increase in rates.

Difficult to Determine Basis

"Under similar conditions the convention has never been able to find a proper basis for the calculation of premiums and reserves by accident and health companies writing non-cancellable policies. The situation as regards disability benefits, if allowed to continue, will have the same unsatisfactory result. We believe that both of these problems could be solved by the convention in prescribing a uniform benefit clause, or some standard provisions under which the benefits may be written.

Would Welcome Uniformity

"Many of the life companies have given this matter serious consideration and we believe that a majority of these companies would welcome the necessity of the adoption of a uniform clause based upon conservative lines. The adoption of such a clause would develop a disability experience that could be used as a safe guide for the future.

"As a basis for possible standard provisions for the total and permanent dis-

CAR OWNERS MUTUAL IS DECLARED INSOLVENT

MASTER REPORTS TO JUDGE

Difficult to Prepare Accurate Statement—Court Reserves Decision Until Receiver Is Asked

BOSTON, Dec. 12.—The Car Owners Mutual Liability of Boston was declared insolvent, being impaired to the extent of \$312,891.26 on Aug. 31 last, in a report of William H. Hitchcock, appointed master by the supreme judicial court, rendered to Judge Pierce last week.

The master's report does not go into the reasons for the insolvency of the company, further than to show that its experience was bad, the company sustained a loss ratio of rising 66 percent, and that there was no scientific setting up of reserves against losses.

Accurate Statement Impossible

The master in his report states it is impossible to prepare an accurate statement for Dec. 31 next; that by then the unearned premiums will be earned and the item will disappear as a liability, though most of it will be transferred to other liability items; that, on the most favorable estimate for the company 60 percent of those premiums will either be paid or become payable as losses on account of either personal injuries or property damage; that 1 percent will be payable for taxes, 1 percent for overhead and that expense or adjusting losses will be 12½ percent, so that 74½ percent of unearned premiums will have either been expended or transferred to other liability items. This will leave \$138,061.89 to be applied to the reduction of the Aug. 31 deficit. There will be \$6000 in four months interest on bonds to be applied to the deficit, leaving the deficit on Dec. 31 next as \$224,933.36.

Will Reserve Decision

The master explains that he has not taken into consideration at all the contingent liability of the policyholders growing out of the fact that it is a mutual company, and declares there "is no evidence as to the extent to which an assessment if made would as a practical matter be collectible or the expense of such collection."

Judge Pierce of the supreme judicial court received the report and will reserve his decision, since the attorney general asked for the appointment of a receiver.

The appointment of a receiver at this time will render over 40,000 car owners in Massachusetts without compulsory automobile liability insurance cover and keep them off the road for the balance of the year, unless they take out new insurance in other companies for the remaining days of the year.

ability clause in life insurance policies, we suggest the following: 1. Waiver of premiums and monthly income benefit equal to 1 percent of the face amount of insurance.

"2. Limit benefits to disabilities occurring before the age of 60.

"3. Cover any total disability lasting six months, income benefits to accrue at the end of six months. No payments during the six months period.

"4. Premium waiver benefit to accrue from commencement of disability.

"5. Income benefits not to be dated back for a period exceeding six months before approval of claim.

"6. Define total disability as inability to perform the duties of any occupation.

"7. No increase in monthly benefits from the unit amount of 1 percent of the face amount of insurance and no increase in benefits if disability results from accident."

DEADLINE FOR FILING OF CHICAGO BONDING CLAIMS

COME UP FOR HEARING JAN. 7

Notice Published by Receiver of American Bonding Which Reinsured Chicago Company

SIOUX CITY, IA., Dec. 12.—As notice to loss claimants under policies and bonds of the long-time defunct Chicago Bonding, the district court here has authorized the publication in the Chicago "Tribune" of a statement that all claims against the American Bonding & Casualty receiver must be filed forthwith. It will be remembered that the American Bonding of this city assumed all of the obligations of the Chicago Bonding under a stipulation that the \$335,000 assets of the Chicago company on deposit with the Illinois insurance department would be turned over to the reinsuring company.

A phase of this deal, not generally known, is that the Chicago Bonding was already in receiver's hands before the merger arrangement was made. The Illinois court refused to allow the payment of the \$335,000 to Receiver Grandy of the American Bonding until claimants under the Chicago Bonding contracts had been paid. Thus the reinsuring company never got a penny for assuming all of the liabilities of the Chicago Bonding.

Won't Get Over 20 Percent

Out of the \$335,000 securities held by the state of Illinois, the 800 or more claimants under Chicago Bonding contracts will get not over 20 percent, 19½ percent already having been authorized and 10 percent having been paid. The receiver of the American Bonding having defeated the government's claims for about \$1,500,000, which threatened to consume all of the assets of the American Bonding, many of the larger claimants, notably the Morris Packing Company of Chicago, have served notice on Receiver Grandy that they will look to him to pay the balance of their claims inasmuch as the American Bonding assumed the liabilities of the Chicago Bonding.

Receiver Will Resist Payment

It is primarily for the purpose of playing fair with the little claimants in Illinois as well as the big ones, that the court has ordered notice printed in the Chicago paper that all claims will be heard before Referee S. F. Wadden, in Sioux City, beginning Jan. 7, 1929. When proof of several of these claims have been made then Receiver Grandy will go to court to resist payment of them on the ground that the claimants under Chicago Bonding policies elected to file their claims with the Chicago company's receiver rather than against the reinsuring company, and have been paid dividends from moneys which should have come to the American Bonding receiver, and they are therefore foreclosed from further prosecuting their claims against the receiver of the American Bonding. If the court rules against Receiver Grandy's contention, his attorney is prepared to carry the fight to the supreme court.

Practically all of the claims for unearned premiums against the American Bonding have been allowed in court here, and Special Referee Wadden will begin Jan. 7 hearing proofs of claims for losses under policy contracts and bonds. There are about 1,500 of these, exclusive of those expected from Illinois, under Chicago Bonding policies.

Opens Branch in Pittsburgh

PITTSBURGH, Dec. 12.—The American Bonding has opened a branch office in Pittsburgh, Pa., under the direction of J. Edwin Gulnn as manager. Mr. Gulnn was formerly assistant manager of the Fidelity & Deposit's branch in Pittsburgh.

INTEREST IN CHOICE OF BEHA'S SUCCESSOR

Although Governor Has Not Accepted Resignation Term Expires Soon

DEFEND COST ATTITUDE

Confident That Roosevelt Will Select a Competent Insurance Superintendent for New York

NEW YORK, Dec. 12.—Officials of companies holding membership in the casualty and surety acquisition cost conferences are unusually interested in the selection of a successor to James A. Beha, whose resignation as state superintendent of insurance was submitted on Nov. 20 last, and while it has not yet been accepted by Governor Smith, the post will have to be filled by Jan. 1 when Mr. Beha's term expires.

Governor-elect Franklin D. Roosevelt, fortunately, has a general knowledge of underwriting affairs, having been vice-president of the Fidelity & Deposit for several years, and hence is likely to name as superintendent a man competent to carry on the affairs of the department with the same degree of efficiency that has been in evidence in the past.

While Superintendent Beha has been subjected to considerable criticism from a number of his fellow commissioners of the west and south, for his reputed desire to legislate extra-territorially, company officials who are familiar with the formation and conduct of the acquisition cost agreements, declare such action to have been manifestly unfair. They maintain that throughout the entire period of his administration Mr. Beha has been actuated solely by a desire to see the problems of their business settled without state interference, merely asking that the companies formulate means to that end and if the plans determined upon seem to him reasonable from the standpoint of both insurer and insured, the entire influence of the New York department would be extended to make them effective. Such support has been ungrudgingly given, and has proven of material aid, for though neither the casualty nor the surety acquisition cost agreements has functioned to full efficiency, as yet, there can be no question but that each has made for general improvement in field conditions.

This especially can be said of the casualty conference. The surety agreement is of later creation and concededly it has proven weak in certain respects, but despite its shortcomings it has forced betterment in many centers, and more particularly in this city, which produces a large percentage of the fidelity and surety premiums of the country, and where before the formation of the cost limitation agreement excessive brokerage and other improper practices in the business were the rule rather than the exception. Today, thanks largely to the strong support given the agreement regulations by the New York City committee, operations have been placed upon a highly desirable basis, evidencing that what has been here accomplished may with the right kind of cooperation be attained in Chicago, Detroit and other storm centers throughout the country.

Superintendent Beha has been a loyal supporter of both conferences and managing underwriters are highly appreciative of that fact. They deeply regret his intended early retirement and are anxiously awaiting news of the appointment of his successor.

Tell Me—Is This a "Rotten" Ad?

... My "Boss" said
it was ... but, I'm
going to "leave it to
you." ...

You're not going to
write Insurance for any
Company, unless they
have what you want,
and know you need,
are you?

Of Course, We Have

"Everything Under the Sun"

... And then some,
for instance ...

1. Non-Medical
2. Monthly Premium
3. Juvenile Policies
4. Payor Insurance
5. Salary Savings
6. Participating
7. Non-Participating
8. Sub-Standard
9. Female Insurance
10. Sales Promotion Dept.
11. Educational Course
12. Direct Mail Advertising
13. Salesman's Folio
14. School for General Agents
15. Accident and Health

**Abraham Lincoln Life
Insurance Company**
SPRINGFIELD, ILLINOIS

H. B. HILL, President
F. M. FEFFER, Vice-President
and Agency Manager

Here is my name,
Address and City
Write and tell me
how your men do
it. Of course I am
interested.
N.U. 12

COMMISSIONER SAFFORD RAPs COMPULSORY LAW

Ohio Insurance Chief Analyzes
Functioning of Various State
Statutes

SPEAKS TO FEDERATION

Details Points on Which Plans Have
Been Found Faulty in
Operation

W. C. Safford, Ohio commissioner, scored compulsory automobile liability insurance in his address on that subject before the meeting of the Insurance Federation of America in New York City Dec. 10. He said in part:

"Much propaganda has been broadcast for several years by word of mouth and through the press with the intention of impressing the public with a so-called 'appalling situation' in regard to automobile accidents and urging compulsory automobile insurance as a remedy for the condition.

"As long as the motive for spreading such propaganda is to offer relief from any ill which may arise through an injury, it is worthy, but we question the method prescribed as the proper relief in the situation. I believe that the forcing of some form of compulsory automobile liability insurance is in itself productive of greater evil than any good which may possibly arise therefrom.

Problem Misstated

"The propagandists assume the existence of the hazard of motor vehicle operation to life and limb is attended by a serious actual problem arising from financial irresponsibility of the operators. It is admitted that there are certain cases where the victims of automobile accidents suffer an added hardship by reason that the operation of the vehicle was not only negligent but that the operator was irresponsible financially. The extent of such cases is unknown. Whether the ratio is any greater in the negligent operation of motor vehicles than in other common torts has not been proven. We should remember that it is not every tort which can be compensated for and as far as accidents are concerned, these happen quite as frequently outside the automobile realm as within.

"What everybody should be interested in is the prevention of the great number of accidents due to all causes and the conservation of life and property instead of seeking a form of compensation. There is more real merit in the prevention of one fatality than in endeavoring to compensate any number, for there is no indemnity for a person slain.

Highway Experts Reject Plan

"The National Conference on Street & Highway Safety rejected the idea of compulsory automobile insurance as a means for better safety and, instead, recommended the control of the automobile driver by means of the issue of licenses to individual drivers which would be subject to suspension or revocation as a means of removing these persons from the field of danger.

"Many organizations, after adequate investigation, fail to endorse the compulsory liability insurance idea. Why? The reason is that the idea is entirely wrong in principle. The fallacy that the victim of an automobile accident occupies a status similar to that of an injured workman and should share in a fund such as workmen's compensa-

tion has been responsible for mistaken notions.

"Propagandists state that all automobile accident troubles would cease and payment would be made under compulsory automobile liability insurance. There is little, if any, truth in the proposition. Let us consider collisions which would not be covered.

Loopholes Numerous

"1. Those in which automobiles of political divisions and sub-divisions may be involved, cars and trucks owned by state, county, city, township and school districts and others.

"2. Those whose owners are from other states and who are financially unable to compensate and who are not insured.

"3. Collisions in which no negligence occurred and which were unavoidable.

"4. Collisions where juries find for the defendants, where fault cannot be shown.

"5. Accidents caused by horse drawn vehicles.

"6. Accidents caused by animals.

"7. Accidents caused by 'the act of



W. C. SAFFORD

God,' such as floods and storms.

"8. Accidents where the killed or injured were wholly or partly at fault.

"9. Accidents which occur in private grounds, private parking places, recreation and picnic grounds, athletic fields, circus grounds, race tracks, public garages, etc.

"10. Accidents caused by cars in use without the owner's authority, or cars operated by thieves.

"11. Accidents at railroad crossings.

"12. Accidents wherein only the vehicle owner causing the accident is injured.

"So I might multiply those accidents which could not be covered, yet each would be contributing under the compulsory plan. At this time, I have no figures in support of my statement but I will venture to guess that in many of our states, at least, 30 percent of the cars which traverse the highways are owned by persons residing in another state. That merits careful consideration.

Several Forms Urged

"Propagandists urge several forms of compulsory automobile insurance. We consider the Massachusetts plan because it is the one generally urged for adoption. Dependable data are available to show that the Massachusetts plan has failed of its purpose. Wesley E. Monk, former commissioner, is reported to have stated that rates must be materially increased, in some instances almost doubled.

"I am told that Commissioner Monk also said that 'ambulance chasing' is rapidly increasing, that the gentleman found one so-called lawyer who had conducted 408 accident cases; another

348; another 359; that a number of lawyers were listed for disbarment.

"Many proponents of the compulsory liability insurance idea urge that the New Hampshire and Connecticut plans are secondary to the Massachusetts plan. That is open to question. Although we believe all these plans are wrong in principle, a comparison is not necessary. The objection is that under the New Hampshire and Connecticut plans motor car operators are permitted one accident before they are compelled to assume financial responsibility. This is no objection at all. One might as well object to the efficacy of any of our criminal statutes on the same basis. A man is given one chance to steal before he can be convicted of a larceny, and, as far as we know, no one has seriously thought of requiring everyone to give a bond or carry insurance to protect the public against any tendency he may develop towards crimes.

"In conclusion, I wish to state to you that my unfavorable opinions on the subject of compulsory automobile liability insurance are based not alone upon the reasons which I have outlined to you but, primarily, my belief is that whatever plan may be pursued the inevitable tendency is toward a state monopoly, such as workmen's compensation, which is administered by many of our states, and there is a widespread feeling among our citizens that the state should confine itself to its proper affairs, and not participate in activities which are the proper field of private business."

LAWSON TALKS ON AVIATION AT WISCONSIN MEETING

MILWAUKEE, Dec. 12.—Rates for aviation coverage are going down and the companies writing these risks are striving to get them lower. E. D. Lawson, vice-president of William H. McGee Co., Chicago, told members of the Casualty Underwriters Association of Wisconsin at a meeting here this week.

Mr. Lawson discussed aviation insurance underwriting and pointed out how similar it is to "wet" marine insurance, hence the reason for it coming under marine departments. He said it is only natural for marine underwriters to write aviation insurance as the two are comparable. Mr. Lawson told the underwriters that there is nothing difficult about handling an aircraft risk and that the rates are not as high as many agents think.

Each risk is written on its own merit. Thomas Pendergast, vice-president of the Transportation Indemnity, New York City, was a guest at the meeting.

Cass Joins Southern Surety

Thomas F. Cass, for the past eight years associated with the Indemnity of North America, has resigned as assistant secretary to become a vice-president of the Southern Surety at its general offices in St. Louis. He will have charge of its casualty department. Prior to his connection with the Philadelphia corporation Mr. Cass was associated with the liability department of the United States Casualty, and is regarded as an exceptionally able underwriter.

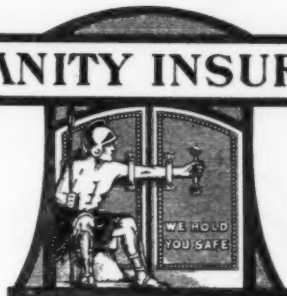
Safford in New York

W. C. Safford, insurance commissioner of Ohio, who retires from office Saturday to become vice-president and general manager of the American Liability & Surety of Cincinnati, attended the insurance commissioners' meeting in New York this week. He was accompanied by C. F. Williams, vice-president of the company, who occupies a similar position with the Western & Southern Life, which controls the American.

Mr. Safford was introducing his successor, William A. Doody, who has been deputy superintendent.

BANKERS INDEMNITY INSURANCE COMPANY

Capital
\$1,000,000.00



Surplus
\$1,000,000.00

31 Clinton St.
NEWARK, NEW JERSEY

REPRESENT A COMPANY THAT PLACES YOU IN POSITION TO INCREASE YOUR CLIENTELE, THEREBY INCREASING YOUR EARNINGS

The super-coverage policies issued by the "BANKERS" enable the agent to obtain business which he otherwise would not get—an advantage that should not require second thought.

Pleasant relationship between the agent and the company makes one's work smoother—the "BANKERS" encourages that principle.

Investigate—it will be beneficial to you.

SAFER PROTECTION

The company makes a departure from established custom by making the minimum standard limits, \$7,500/15,000 for bodily injury and \$1,500 property damage liability without any increase in premium over what is ordinarily charged for \$5,000/10,000, and \$1,000 limits respectively. This removes the policyholder from the *danger-zone* to the *safety-zone*. These limits apply to all classes of public liability except public passenger carrying vehicles and elevators.

The company is writing:

Automobile Liability—Bodily Injuries
Automobile Property Damage
Automobile Collision
Automobile Plate Glass Breakage
Automobile Personal Accident
Teams Liability

Workmen's Compensation
Owners', Landlords' and Tenants' Liability
Golfers' and Sports' Liability
Manufacturers' and Contractors' Public Liability
Plate Glass Insurance
Personal Accident and Health
Burglary

The company is operating in the following states:

Maine
New Hampshire
Vermont
Rhode Island
Connecticut

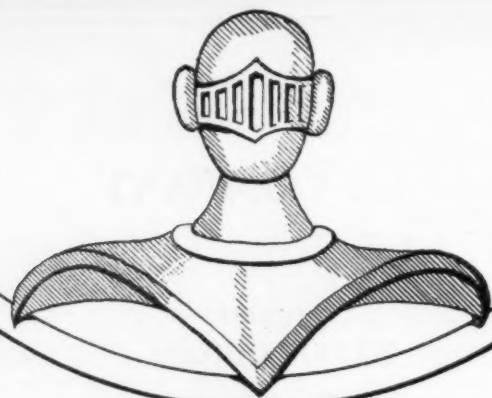
New Jersey
Pennsylvania
Delaware
District of Columbia
Maryland
Ohio

West Virginia
Illinois
Minnesota
Michigan
Indiana
Wisconsin

Iowa
North Dakota
South Dakota
California
Alabama
Georgia

Application filed for Colorado.

FREDERICK E. WILKENS,
Vice-President and General Manager.



Christmas Crowds Spell Liability Insurance

Stores thronged—people excited—last minute rushes—accidents and more accidents. The wise merchant, properly told the facts about his needs for liability insurance by a wise agent, buys the coverage. Additional protection to the merchant—additional premium income to the agent.

With casualty insurance, the prospect list is never ending. That is why a company writing a complete line of Casualty and Liability contracts is such a desirable company to have in an agency. That is why Southern Surety appeals to so many agents.

SOUTHERN SURETY COMPANY OF NEW YORK

General Offices
818 Olive Street
ST. LOUIS, MO.

MASSACHUSETTS AUTO RATES CAUSE TURMOIL

General and Local Agents and
Brokers Hold Meetings
of Protest

COMPLICATIONS ARE MANY

Eight Men Have Refused Offer of Commissioner-
ship, Made by
Governor

BOSTON, Dec. 12.—General agents, local agents and brokers interested in casualty lines have all had their mass meetings the past week to discuss and protest against the new commissions on compulsory automobile liability insurance in Massachusetts, and the business is in a turmoil such as was never known before.

Local agents have protested to their companies that they cannot do business on the new scale of commissions allowed for the compulsory cover. General agents declare "the allowance made them is not workable, cannot be enforced and will create chaotic conditions in the business." The brokers from all over the state gathered on Friday and protested the cut in commissions in the metropolitan district.

Petition Is Filed

On Saturday the Boston Association of Casualty Insurance General agents filed a petition with the supreme court asking a review of the compulsory rates recently promulgated by Acting Commissioner Arthur E. Linnell, declaring that the new rates "are not adequate, just, reasonable and non-discriminatory" and protesting especially against the acquisition cost allowed by the acting commissioner.

During the week a meeting of representative insurance men was held which quietly went into the insurance situation in Massachusetts, and authority was voted the Insurance Council of Boston to take upon itself the matter of public relations, and plans will be worked out whereby a campaign of publicity will be started to endeavor to create better respect for the insurance business throughout the commonwealth and in legislative circles. All angles of the business, except life insurance, were represented at the conference.

More Commission Asked

The general agents make a specific demand on the companies to split the home office administration allowance with the general agents so that the latter may get 5 percent overhead for handling the compulsory cover and at the same time pay full 10 percent to brokers and regionals.

The situation is further complicated by the fact that to date, it is claimed, no less than eight men have been offered the job of commissioner of insurance and each in turn has declined. The governor is still seeking someone to head the department.

Office Seekers Dodge Job

No one now in public life, or who hopes to get into the good graces of the public from an official standpoint, desires to take on the tremendous problem of trying to please the general public, the motorists and the insurance interests in the one matter of administering the compulsory liability act, to say nothing of the threatened fire insurance investigation and routine matters of no small labor.

Acting Commissioner Arthur E. Linnell, who has had 36 years' experience

in the department, is functioning and attending to all the duties of the commissionership as ably as could anyone.

Revise Property Damage Rates

Revised property damage rates for Massachusetts have just been issued by the automobile department of the National Bureau of Casualty & Surety Underwriters. The figures are substantially the same as those previously in force.

Prouse Joins Constitution

The Constitution Indemnity announces the appointment of James B. Prouse as assistant manager of its New England branch office in Boston.

Mr. Prouse, after having had broad experience in several lines of business, joined the staff of the Philadelphia branch office of the Aetna Life and affiliated companies. He became special agent for fidelity and surety bonds, and later superintendent of the Aetna's uptown Philadelphia office, where he made a splendid record as a specialist in all types of bonds. Mr. Prouse leaves this position to associate himself with the Constitution Indemnity.

Farewell Dinner for Gallaher

The Travelers Club of Dayton, O., gave a dinner in honor of Charles F. Gallaher, supervising underwriter of casualty lines at the Dayton branch office, who has been transferred to the Richmond office. Mr. Gallaher has been attached to the Dayton office for the past five years and has built up an enviable reputation as an authority on all casualty lines.

Harold A. Probst, manager liability and indemnity lines of the Dayton branch office, acted as toastmaster. Mr. Gallaher was the recipient of a silver service from his associates. Charles R. Goldzwig, president of the club, made the presentation speech.

Eastmead Newark Manager

The Hartford Accident & Indemnity has announced the appointment of James C. Eastmead as manager of its Newark branch office. Mr. Eastmead has been superintendent of the casualty department at that office and has been with the company since 1918. He was formerly connected with the Compensation Inspection Rating Board of New York and joined the Hartford to organize a rating department in its New York office.

Damages Fire Truck, Must Pay

UTICA, N. Y., Dec. 12.—Insurance companies believe an important precedent has been established here in the case of the City of Utica against Arthur W. Wenger of this city. Mr. Wenger had the right of way at a street intersection as the "go" signal was with him. He proceeded and struck a city fire truck responding to an alarm. The truck was damaged to the extent of \$640, the city bringing claim for that sum. Mr. Wenger and a company insuring him defended the suit on the ground the civilian was proceeding properly, but the court held the driver was required by a state law to pull to the side of the road.

Keller With Commonwealth

PHILADELPHIA, Dec. 12.—The Commonwealth Casualty announces the appointment of E. A. Keller as superintendent of the underwriting department. Prior to joining the Commonwealth, Mr. Keller had spent eight years with the Massachusetts Bonding and was later connected with the United States Fidelity & Guaranty, Independence Indemnity and Constitution Indemnity.

Combine Liability-Accident Coverage

To automobile liability policyholders of the National Casualty, that company is offering for \$1 premium a personal accident policy which will pay \$2,500 if the policyholder is accidentally killed while riding in his own automobile, the amount of insurance increasing after the policy has been in force for two years to \$5,000. The contract also pays liberal amounts for dismemberment. For a \$3 premium it will include liberal weekly indemnity for total loss of time for 52 consecutive weeks.



What's in a Safe?

There may only be books and papers in Merchant Jones' expensive and impressive safe, but how is Bill Burglar to know that? The only way he can satisfy his curiosity on that score is to open it. "*And how!*"

A few spoonfuls of nitroglycerine, properly applied, will ruin almost any safe, not to mention its effect upon the other contents of the room in which the safe is located. So, even if Merchant Jones doesn't keep anything except books and papers in his safe, he's still apt to be considerably out of pocket as the result of the cracksman's operations.

For example, in the case of the clothing store whose wrecked and looted safe is shown above, the damage done to the safe, office equipment and stock, accounted for more than half its total loss of \$2,500.

Under circumstances such as these, what a world of comfort the holder of an F&D Safe Burglary Policy must derive from the knowledge that his policy provides indemnity for "*all damage (except by fire) to merchandise, furniture, fixtures and equipment in the premises caused by burglary or attempt thereat,*" as well as for whatever is stolen from within the safe.

Fidelity and
Surety Bonds



Burglary and
Plate Glass
Insurance

FIDELITY AND DEPOSIT
COMPANY OF MARYLAND

Baltimore

Agents are known by
the company they keep.
Companies are known
by the claims they *pay!*

**Great American
Indemnity Company
New York**

HOME OFFICE, ONE LIBERTY STREET
NEW YORK CITY

**Our Agents
always
get more
than an
even break**

ZURICH
General Accident & Liability
Insurance Company, Limited

HEAD OFFICE, Chicago EASTERN DEPT., New York

COMPENSATION COUNCIL COMMITTEES SELECTED

WILL FUNCTION FOR YEAR

Four Bodies Are Chosen to Conduct
Affairs of Important
Organization

NEW YORK, Dec. 12.—The following committees have been selected by the National Council on Workmen's Compensation Insurance: Board of Appeals, Dr. R. S. Keelor, John L. Train and Clarence W. Hobbs.

Governing committee: Employers Mutual Liability, Michigan Mutual Liability, Maryland Casualty, Ocean Accident, American Mutual Liability, Liberty Mutual, Globe Indemnity and the Travelers.

Rates committee: stock, Aetna Life, Continental Casualty, Employers Liability, Globe Indemnity, Indemnity of N. A., Maryland Casualty, Ocean Accident, Travelers, United States Casualty and the United States Fidelity & Guaranty. Non-stock: American Mutual Liability, Casualty Reciprocal Exchange, Employers Mutual Casualty, Federal Mutual Liability, Interboro Mutual Indemnity, Liberty Mutual, Lumbermen's Mutual, Michigan Mutual Casualty, Michigan Mutual Liability, Security Mutual Casualty and the Utica Mutual.

Convinced by a study of loss experience that the introduction of the loss constant program would not overcome the generally higher manual loss ratio on small risks than on large risks, the council finds that "a loading in manual rates sufficient to offset the deficiency in collected rates would eliminate on the average the existing differential by size of risk." Under the new plan the discrepancy between the two classifications, it is felt, will be overcome.

LAWYERS RAP PAYMENT OF DOUBTFUL CLAIMS

PHILADELPHIA, Dec. 12.—The practice of insurance companies of settling almost any claim in the hands of an attorney or an adjuster, on which the claimant has procured a doctor's certificate, is strongly rapped in the report of the committee of censors of the Law Association of Philadelphia on the solicitation of accident cases. The committee holds that this practice is responsible for the large number of unscrupulous attorneys and for the avalanche of fake claims.

The report of the committee, which followed a study of accident cases going back for several years, recommended various means of eliminating the crooked lawyer and the runner.

The committee has already started action against ambulance-chasers and will shortly bring court action against six lawyers accused of improper practices. The committee felt that by means of court action it was taking the logical and quickest method of putting a stop to unethical practices among certain attorneys specializing in damage cases. It is said that the six attorneys persisted in their tactics even after having been warned by the committee.

Goes With Globe Indemnity

Van Y. Duncan, for the past five years special agent in Indiana of the Hartford Accident, has been appointed special agent of the Globe Indemnity for Indiana, for which state G. W. Clark is manager. Mr. Duncan, before taking up field work, was manager of the insurance department of the Madison Safe Deposit & Trust Company at Madison, Ind. He is well known throughout the state.

MARYLAND COMMITTEE IS AGAINST COMPULSORY LAW

ADVERSE REPORT TO BE MADE

Experience of Massachusetts Is Studied
and Findings Are All
Unfavorable

BALTIMORE, Dec. 12.—An adverse report on the question of compulsory automobile insurance for Maryland will be made to Governor Ritchie by the committee he appointed to investigate the workings of compulsory automobile insurance in Massachusetts.

Included on the committee were: Commissioner Benson and Joseph F. Mathai, vice-president United States Fidelity & Guaranty.

Definite Information Not Available

In the report adopted the committee found that it was impossible to discover and develop definite information regarding prevention of accidents by financially irresponsible drivers. The committee reported that accidents in general could be more effectively prevented by stricter enforcement of motor vehicle laws than by making financial provisions for the victims. The payment of money benefits to the victims of automobile accidents solves only a part of the problem, although it will curb public opinion regarding necessity of preventing accidents in general. The committee did not find any legislative remedy for the problem. They reported that it was inadvisable to solve the problem by legislation until more details and complete data were available from states having such laws.

H. & A. EXECUTIVES MEET IN NEW YORK THIS WEEK

NEW YORK, Dec. 12.—The executive committee of the Health & Accident Underwriters Conference met in New York this morning. Among the subjects considered were: Cooperative action, taxation, public relations, publicity, education, revision of the manual, date and place of the next meeting of the conference. Those present were J. W. Scheer, chairman of the committee; Watson Powell, president; F. L. Barnes, vice-president; Chester W. McNeill, secretary; Harold R. Gordon, executive secretary and treasurer; H. G. Royer, W. T. Grant, Harvey H. Shomo, Dr. J. R. Neal, T. Leigh Thompson and E. J. Faulkner.

MINNEAPOLIS TAXI LAW GOES INTO EFFECT FEB. 1

The new proposed ordinance in Minneapolis, requiring liability insurance for all taxicabs operating in the city, will become effective Feb. 1, 1929, according to present plans. The ordinance will be ready for action by the joint license and traffic committee within the next few weeks.

The new measure will provide that, in order for a company or operator to obtain a license or renewal of a present license after Jan. 31, 1929, he must deposit a bond with the city clerk or carry liability insurance to protect patrons and the general public against injuries, death or property damage caused by negligent operation of the taxicab.

The amount of liability insurance to be required has not been definitely decided upon. This will be filled out by the joint committee when the latter reaches an agreement regarding this feature.

The Insurance office of Boston opened its casualty lecture course the past week with an enrollment of 53, representing students from various cities in eastern Massachusetts and Rhode Island. Eleven women are enrolled.

Merry Christmas

In the Spirit of the Times

As never before Christmas Day, 1928, finds new influences writing change on the records of life. The airplane, speeding straightway through the sky, perhaps is reuniting families long-scattered; the radio spreading its message of good cheer brings, it may well be, thousands of listeners, back to old-home-town celebrations.

In the spirit of the times—voicing satisfaction with the past and confidence in the future—the Independence Companies of Philadelphia wish the great insurance fraternity, the whole world over

**The Merriest Christmas
Ever and a New Year of
Unprecedented Prosperity**



The INDEPENDENCE COMPANIES

Home Offices — PHILADELPHIA

CHARLES H. HOLLAND, President

**Casualty Insurance • Surety Bonds
Fire Insurance**



(These Companies maintain Human Relations with their Agents, Brokers and Policyholders)

WORKMEN'S COMPENSATION

KANSAS RATE RAISE DENIED

Commissioner Refuses Increase in General Basis Schedule—Turns Down Expense Constant Charge

TOPEKA, KAN., Dec. 12.—There will be no increase in rates for workmen's compensation insurance in Kansas, for the present at least. Commissioner Baker has refused to allow any increase in the general basis schedule. When the new compensation law went into effect in 1927 the companies sought a new basis schedule. It was refused by Mr. Baker and an order was published setting out the basis rates for all compensation lines. Then the companies sought a rehearing and for 16 months there have been hearings and investigations and the filing and checking of exhibits. In his order denying the increase Mr. Baker said:

Holds Present Rates Adequate

"After full consideration of the various exhibits submitted to the department in support of the request for an increase in the schedule of premium rates in the departmental order dated June 20, 1927, it is my opinion that the premium rates as published in said order are fair, reasonable and adequate for the risks to which they respectively apply and that such schedule of rates should not be changed at this time."

Mr. Baker did allow the companies to increase their minimum premium charge. He also allowed them to include executive officers of corporations and provided a rate for them.

No Action on Expense Loading

The commissioner declined to take action on the expense loading or expense constant charge sought by the companies. In his ruling Mr. Baker said:

"I feel that the department is not in possession of sufficient information to warrant final action on this proposal. If it were possible to determine that the ratio of risks in this state carrying a premium charge of \$300 or less to risks carrying larger premiums was such as to offset each other in the application of the expense constant and the percentage reduction of the larger premiums, I am of the opinion that the proposal should be approved. However, it is my opinion that in view of the great number of small premium risks in this state, the application of the expense constant and the percentage reduction would result in an increase in total premiums. While I feel that the smaller risk should bear its proportionate share of expense, I do not believe that the approval of this proposal would be justified without further information as to the proportion of smaller risks to larger risks in Kansas. Formal action is therefore deferred for the present."

Automotive Accidents

LANSING, MICH., Dec. 12.—Industrial safety in automobile manufacture, leading industry of Michigan, is far ahead of some other industries, according to recent figures of the Michigan department of labor and industry covering the first quarter of the current fiscal year. During this period, the statistics show, 1951 accidents were recorded for July, August and September on the basis of an average payroll of 350,000. Only 12 of these accidents proved fatal. During the same period, however, the construction industry, whose payroll was around 100,000, turned up 1,417 accidents, 16 of which were fatal.

Continue Virginia Hearing

Inquiry into compensation rates in Virginia has been continued by the state corporation commission until Jan. 15. The hearing was scheduled to get under way Dec. 5.

WHAT IS "LIMITED POLICY"?

Important Compensation Question Before California Courts Following Recent Commission Ruling

SAN FRANCISCO, Dec. 12.—Compensation carriers in California are prepared to file a brief with the state supreme court in the case of Jones vs. Ocean Accident in an effort to obtain from the court a definite interpretation as to just what a "limited compensation policy" is. This action comes as a result of a ruling issued by the industrial accident commission in the Jones case to the effect that unless a policy is imprinted with the words, "limited compensation policy," it may be considered as insuring all plants of an assured regardless of the general acceptance of the idea that the underwriters intended to cover only the employees of a specified plant.

The companies writing compensation in California held a meeting in San Francisco Monday and instructed the governing committee of the California Inspection Rating Bureau to engage competent counsel to represent them before the supreme court.

Seek Change in Wisconsin

MILWAUKEE, Dec. 12.—One of the bills affecting workmen's compensation insurance which is to be introduced into the coming session of the legislature will permit appeals from workmen's compensation decisions to all circuit courts of the state, instead of to Dane county only, where Madison, the capital, is located.

Compensation men in Milwaukee who have been sounded out on this bill see in it nothing which would materially affect the companies. They feel it will be just the same to have cases appealed in other circuit courts as in Dane county.

Much of the compensation litigation develops in the industrial section in the southern part of Wisconsin, with Milwaukee, Racine and Kenosha counties in the lead. Therefore the matter of traveling expense, should the bill pass,

will not be increased materially, if at all.

Stevedores Not Covered

WASHINGTON, Dec. 12.—Stevedores engaged in the unloading of steamers lying at wharves on navigable waters of the Great Lakes are not to be covered under the provisions of the workmen's compensation law of Wisconsin under a decision of the United States Supreme Court today. The court reversed a decision of the supreme court of Wisconsin which had awarded \$5,800 compensation to a woman whose husband had been killed while working as a stevedore unloading a steamer at Superior, Wis. The vessel was owned by the Northern Coal & Dock Company. The high court asserted that the case should have been brought in the admiralty court.

The General Accident was joined with the Northern Coal & Dock Company in this case.

Propose Penalty Clause in Kansas

TOPEKA, KAN., Dec. 12.—Addition of a penalty clause that will make insurance companies pay extra if they delay the settlement of workmen's compensation claims may be proposed in the coming legislature. Not a single complaint of this nature against any company has been made in the 18 months of the operation of the law. The proposal appeared following the ruling of the Supreme Court of the United States enforcing a penalty in a case appealed without meritorious legal questions being involved.

Refuse to Enter County Fund

Members of the Hornell, N. Y., city council have declined to participate in the new Steuben county compensation insurance scheme recently approved by the supervisors of that county. Hornell is the largest city in the county. Mayor D. L. McDowell said he could see no advantage in participating in the county system and expressed the opinion that it would not be as economical as purchase of protection through insurance companies.

Seek to Eliminate Waiting

BOSTON, Dec. 12.—Representative Martin Hays of Brighton has filed in the clerk's office of the Massachusetts house of representatives a bill to be considered at the next legislature which would provide compensation under the workmen's compensation insurance act to date from the day of injury and thus doing away with the waiting period now in vogue.

WITH BURGLARY UNDERWRITERS

HOTEL HELD LIABLE FOR LOSS

Decision of Importance to Burglary Writing Companies Handed Down by New York Court

NEW YORK, Dec. 12.—A decision of high importance to burglary underwriters, as well as to hotel owners and their guests, was that handed down by the appellate division of the supreme court of New York, in the case of Mrs. Regina V. C. Millheiser vs. Beau Site Company, which conducts the Hotel Biltmore of this city, holding that hotels maintaining safes for keeping valuables for guests may not under all circumstances benefit through the law limiting their liability, unless a special agreement to the contrary be made.

Jewel Theft Suit Base

The suit arose through the theft of jewelry worth close to \$300,000, stolen by James E. Foye, a clerk in the hotel, to whom Mrs. Millheiser had given the valuables for placing in the safe. Foye is now serving a term in prison for his act. All of the jewelry was recovered except a pearl necklace and other gems valued at \$50,000 in all. Because of the circumstances under which the jewelry was given to Foye, Mrs. Millheiser maintained the hotel was responsible, and that the law restricting its liability to \$250 did not apply. In find-

ing for the plaintiff in the action the court held in part:

"We are of the opinion that as the hotel clerk stole the jewelry after those in authority had invited guests to leave their jewelry in the safe the hotel-keeper cannot limit its liability." The award to Mrs. Millheiser carries with it interest since the time of the robbery.

Johnson Joins Bowes & Co.

Darrell Johnson, formerly burglary and plate glass manager in the Chicago office of the American Surety, has taken a similar position with Bowes & Co., Chicago agency firm. He is succeeded by Emory A. Samson in the American Surety office.

Central West Adds Burglary

On Jan. 1 the Central West Casualty of Detroit will put into operation a complete burglary department and thus will add another line to the many it now writes. The department will be under supervision of William E. Snyder, who has had wide experience in burglary underwriting.

Dempsey Joins Alliance

Vincent A. Dempsey has been appointed manager of the burglary and plate glass department of the Alliance Casualty in the home office, New York

City. He has had considerable experience as a burglary underwriter. From 1917 to 1925 he was assistant manager of the burglary department of the Royal Indemnity. In 1927 he was made manager of the burglary department of the Eagle Indemnity, a position he resigned to become manager of the burglary department of the Brooklyn National Surety office.

Review Merchants Protective Form

NEW YORK, Dec. 12.—Members of the burglary department of the National Bureau of Casualty & Surety Underwriters will meet Dec. 18 to review the Merchants Protective bond, which it will be recalled Superintendent Beha of New York held some months ago should be prepared by the casualty rather than by the surety men. The form of the contract will be changed to make it a policy rather than a bond, and rates for its issuance will be promulgated.

Laboratories Enlarges Council

The Underwriters Laboratories of Chicago has elected the following to membership on its burglary protection council: J. J. Iago, vice-president, Fidelity & Deposit; G. E. Ashley, secretary, Aetna Casualty & Surety; L. H. Carr, assistant vice-president, Great American Indemnity; W. D. Clark, superintendent, Fidelity & Casualty.

No Increase in Nebraska

NEW YORK, Dec. 12.—Burglary underwriters declare that the daily newspaper account of advanced burglary rates in Nebraska are incorrect. What is meant doubtless is the increase in robbery rates from \$1 to \$3 per thousand, plus an additional 20 percent for all communities of less than 1,000 population, a change determined upon early in November. There has been no increase in the burglary tariffs for the state.

AMONG SURETY MEN

BANK'S LOSS WAS COVERED

Use of Own Name With Intent to Defraud Held Forgery Within Terms of Policy

In International Union Bank vs. National Surety, court of appeals of New York, 157 N. E. 269, the company issued a bond protecting the bank against loss caused by forgery or raised checks. One Wagner opened an account with the bank. Wagner subsequently deposited certain checks drawn to his order and indorsed by him and his account was credited therewith. It appears that Wagner had assumed the names of Weber and Viets, and these checks were signed by Wagner under these assumed names. Wagner drew the money for the checks, and the checks were returned as worthless. The bank sought to recover its loss under its policy on the ground that Wagner had been guilty of forgery. The surety company took the position that there had been no forgery because Wagner in the entire transaction simply signed names that had been assumed by him. The trial resulted in a judgment in favor of the bank. On appeal the higher court in reviewing the record and in affirming this judgment, said:

Commit Forgery With Own Name

"In this state it has been repeatedly held that one may commit forgery by the use of one's own name, if that name is used with intent to deceive. "Here the check was made by the plaintiff's depositor, not as his own, but as the act of a third party. Credit was not given wholly to himself, but upon the faith of an instrument purporting to be that of a third party. Through the assumption by the depositor of two names, the plaintiff bank was led to believe that the check was what it purported to be: An instrument drawn by one person in favor of another. "The instrument was falsely made, for it purported to bind a person other

than the person who made it. It was, therefore, a forgery under the common law and under the statutes of this state."

Two Large Bonds Written

Two surety bonds totaling \$5,400,000 were written in Los Angeles this week

on the San Gabriel flood control and water supply dam. One was a performance bond for \$2,900,000 and the other a material bond for \$2,500,000. The bonds were written in the following companies: Fidelity & Deposit, National Surety, Pacific Indemnity, United States Fidelity & Guaranty and Hartford Accident & Indemnity.

ACCIDENT AND HEALTH

PUT NEW RATES IN EFFECT

Practically All Bureau Companies Make Advance for Occupations Using Automobile Effective Dec. 15

By Friday of this week, virtually all of the members of the Bureau of Personal Accident & Health Underwriters will have advised their agents of the new accident rates and manual promulgated by the bureau and of the companies' intention to put them into effect on Dec. 15. It is said that only five members of the bureau are not adopting the new rates at this time.

The new rates call for approximately a 20 percent increase on those occupations affected by the use of the automobile.

May Lose Some Renewals

Underwriters believe that the new rates will lose them a number of renewals, particularly among risks around age 60, as the larger premium increase is for assured of that age. However, they feel that the increase is justified in view of the increasing loss ratio and are not really worried over the possible loss of this business.

The general opinion seems to be that with the new rates in effect, the accident business will take a turn for the better, with the loss ratio showing a decided improvement.

BUDLONG IS DETROIT SPEAKER

Federal Life Executive Discusses Writing of Health Insurance Before Managers' Club

DETROIT, Dec. 12.—Ways and methods of turning the admittedly unprofitable line of health insurance into a financially sound division of the casualty business were discussed by E. C. Budlong of Chicago, vice-president of the Federal Life, Monday before the December meeting of Detroit's newly formed Accident & Health Managers Association.

Mr. Budlong, who is in charge of the accident and health underwriting of the Federal Life and is president of the Accident & Health Managers Club of Chicago, devoted a great part of his talk to a discussion of the benefits to be derived from friendly association among members of the club and the problems an organization of this nature faces.

Urges Waiting Period Form

In discussing the future of the health insurance business, he urged upon agents the advantages of policies with the waiting provision. This is designed to recompense assureds only for major illnesses, the kind for which protection is most badly needed, he pointed out. With premiums reduced proportionately, Mr. Budlong said, this type of policy is at-

tractive to the customer and more advantageous to the company.

President C. H. McFarland of the North American Accident president, J. L. Hepburn, claims manager of the National Casualty, spoke, among others.

EARP IS CONTEST WINNER

Fire Special Agent Makes Unusual Selling Record in Two-Month Campaign

Forrest M. Earp of Chicago, Cook county special agent of the Glens Falls Fire and president of the Cook County Field Club, has proved what the accident and health business can mean to the agent who will devote some time to it, by winning first place in a two-month national contest conducted by the Glens Falls Indemnity for accident premiums. The indemnity company is the running mate of the fire company. Mr. Earp, whose chief concern is fire business, developed a premium volume just short of \$1,900 in the contest. He knew little about accident insurance before the campaign began on Oct. 1. The Glens Falls Indemnity added accident insurance to its lines on the first of this year.

While Mr. Earp was making his personal record he also was assisting agents of his company to write accident business and also was carrying on all of his work as a field man. The business he sold is 95 percent paid for and the remainder will be paid for in a short time.

Chicago Takes First Place

The Chicago Glens Falls office took first place in the contest and the New York office second place. A cash award for the office writing the most business was posted when the contest began, to be distributed in the winning office in the manager's discretion. The contest was conducted under direction

of F. P. Stanley, vice-president of the Glens Falls Indemnity.

Provident L. & A. Increases Capital

Stockholders of the Provident Life & Accident have authorized an increase in its capital from \$500,000 to \$800,000. The additional stock will be taken by the present stockholders on the basis of their holdings. The increase was made to meet the expansion needs of the company following its entry into five new states this year. The life department of the company has had a particularly good year and it is expected to show \$35,000,000 of life insurance in force Dec. 31, a gain of \$5,000,000 over 1927.

Chicago Managers' Round Table

The round table discussion on "What Can We Do to Interest the Producer in Our Business?" which was begun at the November meeting of the Accident & Health Managers Club of Chicago, was continued at the luncheon meeting Monday of this week. Especial stress was laid on the necessity for selling the idea of selling accident and health insurance either to new agents or to producers in other lines who have not been giving much attention to accident and health business. D. M. Brovan of the Continental Casualty was again in charge of the discussion and among those taking part in the symposium were I. J. Trenary, Southern Surety; M. T. Davis, Continental Casualty; S. R. Orwall, Mutual Benefit Health & Accident; E. G. Ellefson, United States Mutual, and A. H. Reed, Great Northern Casualty.

Brovan to Mutual Benefit

D. M. Brovan, manager of the disability department in the Chicago office of the Continental Casualty, will join the Mutual Benefit Health & Accident Jan. 1 as manager of its Cook county department. He will be associated with S. L. Orwall, manager of the central division for the Mutual Benefit, with headquarters in Chicago. Mr. Brovan has been with the Continental Casualty for about six years and is regarded as one of the



CASUALTY FIDELITY AND SURETY REINSURANCE

GENERAL REINSURANCE CORPORATION

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E. H. BOLES, PRESIDENT

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Non-Cancellable Disability Coverage

Renewable to Age 60

Total Disability Indemnity
Unlimited

Partial Disability Indemnity
Unlimited, or 12 Months' Limit

Waiting Period
14-30-60 or 90 Days

CHESTER W. McNEILL, President
V. R. WESTON, Manager Commercial Dept.

INDEMNIFIERS FOR OVER FORTY YEARS

Full Coverage
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At
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"Long Distance Calling"

Automobile dealers and finance companies are calling us on the 'phone to write their Deferred Payments. Maybe it's your town. Why not get the commission? Our representatives are helped through national advertising.

W. M. Chittenden, V. P.

THE GUARANTY LIABILITY AGENCY COMPANY



Chamber of Commerce Building,
CINCINNATI, OHIO
Companies Licensed in 28 States

Payroll Audit Cost Reduced to a Minimum ATWELL & VOGEL

CHICAGO
DETROIT
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PORTLAND
SEATTLE

C. G. ATWELL, Mgr. 4616 Bruce Ave. MINNEAPOLIS
B. F. VOGEL, Mgr. 433 N. Hoyne Ave. CHICAGO

outstanding accident and health agency managers in Chicago. Present indications are that the Mutual Benefit Health & Accident will collect over \$9,500,000 in premiums this year.

Pennsylvania Companies Dissolved

Among the companies ordered dissolved in proceedings instituted by the Pennsylvania department, the moneys now in the hands of the liquidators to be turned into the state treasury, are the Federal Health & Accident, Philadelphia; Sterling Mutual Health & Accident, and Peoples Health & Accident, Philadelphia.

National L. & A. Promotions

E. F. Arrowsmith has been promoted from St. Louis No. 3 to the managership of Chicago No. 3, for the National Life & Accident. Other National Life & Accident promotions are:

H. J. Erceleving of Peoria, Ill., has been appointed to a superintendency in that city. Hal Lee of Corpus Christi, Tex., has been made a superintendent in his district. J. M. Schweitzer of St. Louis No. 3 has been made a superintendent in his territory.

Arkansas Wins "Derby"

Arkansas won first place in the "Southern Derby" of the Mutual Benefit Health & Accident. The states of Arkansas, Alabama, Tennessee and Georgia com-

peted. The contest ran for seven months. A November volume that exceeded any previous monthly business was reported by F. C. Petree, Arkansas state manager.

Opens Chicago Branch Office

The Inter-State Business Men's of Des Moines has just opened a branch office in Chicago at Room 1114, 172 West Jackson boulevard, with M. H. Prichard in charge as manager. Mr. Prichard has been with the company for about 16 years, in various supervisory capacities. The Chicago branch office is the first one to be opened by the Inter-State. All of the agents have heretofore reported directly to the home office. Mr. Prichard's territory will include the state of Illinois.

Stevenson A. & H. Superintendent

NEW YORK, Dec. 12.—The appointment of Charles H. Stevenson as superintendent of the accident and health department of the Norwich Union Indemnity is announced by President H. P. Jackson. Mr. Stevenson, who succeeds C. A. Barkie, recently resigned to enter the insurance brokerage business in this city, has had a number of years' experience in the personal accident and health line, having been connected with the Equitable Life, and subsequently accident manager at the Detroit office of the Commercial Casualty, before joining the staff of the Norwich Union Indemnity as chief aid to Mr. Barkie.

PERSONAL GLIMPSES OF CASUALTY MEN

Norman R. Moray, president of the Southern Surety, who has been in the east assisting in the establishment of the eastern department office, which will be in charge of John A. Diemand, vice-president, has arrived in St. Louis, at the new general offices of the company.

The new location of the general offices is the eleventh and twelfth floors of the Paul Brown building, 818 Olive street, St. Louis, where all of the departments of the company are now located with the exception of the accident and health and supply departments, which will remain in Des Moines temporarily. There has been no break in the service occasioned by the moving of the company.

Frederick E. Wilkens, vice-president and general manager of the Bankers Indemnity of Newark, N. J. who has been laid up at his home for some time with the after effects of an attack of influenza, is now recuperating but will not be able to be at his office for some days. Mr. Wilkens contracted influenza while on a trip abroad last fall. On his return home he applied himself very closely to his work, but was compelled to give up.

J. N. McEachern, Sr., 75, chairman of the board of directors of the Industrial Life & Health, died last week at his home in Atlanta. Mr. McEachern went to Atlanta 45 years ago. Without money or influence, he established a small accident and health insurance agency, doing his soliciting among employees of industrial organizations in Atlanta. Several years later he secured a charter and organized the Industrial Life & Health. Two years ago Mr. McEachern retired from the presidency of the company and was succeeded by his son, J. N. McEachern, Jr.

Louis Elmer Craig of Columbus, O., special adjuster for the Ohio Casualty, died last week at Washington Court-house, O., after an illness of but two days. He was 60 years old.

An interesting side light on the activities of William B. Joyce, chairman of the National Surety, may be gained from the fact that he is now acting in the capacity of temporary manager of the San Francisco branch office of the company.

Reaching California on his annual

winter trip, he found the San Francisco office without a manager. Upon going to San Francisco to make a personal investigation, he promptly appointed himself active manager and is now in direct charge of the office.

Having been one of the biggest producers of surety bonds in the country before he became a company executive, it is expected that the production of the San Francisco office of the National will benefit tremendously while he is there. Incidentally, Mr. Joyce is getting a great thrill out of it and is reminded of his days in St. Paul and Chicago while he was a general agent.

When G. V. Chandler accepted the managership of the San Francisco branch office of the General Accident, he figured the trip across the continent would give him a good opportunity to see America. So, instead of taking the train, he drove from Philadelphia to San Francisco in his automobile. The trip took him two weeks. He was forced to take the southern route, as snow in the mountain passes made the northern route unsuitable for automobile drivers.

R. W. Hanson, manager of the collection department of the Southern Surety in Des Moines, has resigned and plans to take a vacation before announcing his plans for the future.

Before joining the Southern, Mr. Hanson was general auditor of the Iowa Bonding & Casualty, a position he took after serving as chief examiner in the Iowa insurance department.

Harry B. Fitch, 70 years of age, superintendent of the bonding department of the Fidelity & Casualty in Louisville, was fatally injured when struck by a truck last week, and died shortly afterward at a hospital. Mr. Fitch had been with the company for 15 years and previously was connected with the Maryland Casualty.

Edward J. Ptacek Promoted

Edward J. Ptacek has been appointed assistant to the manager in the Chicago office of the United States Fidelity & Guaranty. W. O. Schilling is the manager. Mr. Ptacek prior to his promotion was general superintendent of claims for the company in Chicago. He has been in the Chicago claim department for the last 18 years, or since the company began writing casualty lines. He handled the first casualty claim the company was called on to pay in Chicago.

REVIEWS ACTIVITIES OF NATIONAL COUNCIL

(CONTINUED FROM PAGE 41)

age the equivalent of manual rates, and to provide through the combination of a loading in the rates and a factor in the plan, for such expected off-balance.

Will Be Busy Year

"The coming year will be an extremely busy one for the council. The postponement of revisions in so many states until completion of the study of loss ratios by size of risks, has jammed our calendar with early revision dates for such states. The legislatures of practically all states will be in session in 1929 and we must be prepared to compute the rate effect of the vast volume of law amendments that will be introduced. The preparation of countrywide experience based upon policy years 1922 to 1926 inclusive, must be undertaken for the purpose of determining the new national pure premiums. The rate revisions for many of the states will require public hearings before approval is granted by the authorities and such hearings always involve extra work in the preparation of special material in addition to the time consumed in actual attendance.

Confident and Optimistic

"The staff of the council faces the activities of the coming year in a confident and optimistic frame of mind. With a definite program of rate making before us, we can devote our entire energies to the task of carrying out that program according to schedule. With the united support of our members, and freed from considerations of partisan issues, we know that we can work with an effectiveness that does not exist when there is division among our members. We have an efficient and well-organized personnel; and we know that we can count upon the same hearty co-operation from the various independent boards and bureaus that we have re-

ceived during all the past years. These circumstances justify our confidence and optimism."

ALEXANDER McINNES TO JOIN STANDARD SURETY

NEW YORK, Dec. 12.—President Frank G. Morris of the Standard Surety & Casualty advises of the appointment of Alexander McInnes as manager of the company's burglary and plate glass departments.

Mr. McInnes has had nearly 20 years experience in burglary underwriting, being connected from 1909 to 1917 with the Massachusetts Bonding at its New York City office, subsequently for a short time being with the Travelers, after which he joined the burglary division of the Ocean Accident as its manager, so serving for the past 11 years.

Automobile Guest Act Invalid

SALEM, ORE., Dec. 12.—An act of the 1927 legislature which was intended to preclude guests in automobiles from recovering damages from the owner or driver of the vehicles in case they suffered injuries or death as the result of accident was declared to be unconstitutional in an opinion handed down by the state supreme court here, in a suit brought by Virginia M. Stewart to recover damages from J. O. Houck, P. M. Houck and William Van Allen, partners operating under name Redmond Garage. The law was known as the "automobile guest" act.

Taxi Insurance Ordinance Upheld

ST. LOUIS, Dec. 12.—Circuit Judge Hamilton has upheld the validity of the city ordinance regulating the operation of service cars which requires the operatives of such vehicles to carry liability insurance for the protection of their patrons and other users of the streets.

The court refused to grant the request for a permanent injunction preventing the city from enforcing the ordinance which had been requested by Senter A.

Rohlfing, the plaintiff, who was backed by the Service Car Drivers Union.

The ordinance was to have gone into effect Aug. 1, but was suspended by a temporary injunction granted July 13.

New Company on Coast

The Citizens Union Casualty is being organized in Los Angeles by Newton W. Haynes, president, Arthur V. Kaufman, Frank A. Moore and Milton M. Golden. The California corporation commissioner has just granted the company authority to issue 50,000 shares at \$10 par. The authorized capitalization is \$1,000,000 divided into 100,000 shares.

Auer Gets U. S. Casualty

Auer, Inc., an old office in Milwaukee, has been appointed agent of the United States Casualty. The firm is directed by Stewart F. Auer, grandson of the founder of the business, which was established in 1860.

Made Assistant Chicago Manager

The New York Indemnity has appointed Jere P. Miller assistant manager of its Chicago branch. Mr. Miller became connected with the New York Indemnity on Nov. 1st in charge of field production. He was formerly associated with the United States Fidelity & Guaranty as field supervisor for several years in northern Illinois.

Open New Quarters

Finnegan & Jeffery, managers of the Chicago branch of the Metropolitan Casualty, celebrated the opening of their new offices in the new section of the Insurance Exchange last week. E. J. Donegan, first vice-president and general counsel of the company, and Vice-President W. P. Stanton came on for the occasion. Both officials were among the speakers at the dinner in honor of the occasion given at the Illinois Athletic Club Thursday evening. Other guests who spoke were Howard D. Plimpton, manager of the branch at Milwaukee; E. F. Reynolds, Harold M. Hilton and Carl Rogers of Critchell, Miller, Whitney & Barbour; M. H. R. Smith, assistant secretary and manager, and James Smith,

assistant manager of the western department of the Firemen's, with which the Metropolitan Casualty is now affiliated.

Taxi Mutual Pays Claims

BOSTON, Dec. 12.—Donald E. Mayberry, receiver of the Independent Taxi Owners Mutual of Boston, sent out checks on last week for some \$46,755 in settlement of some 300 claims against the company. The receiver has paid 76.42 percent of the face of the claims as finally determined.

May Organize Association

DETROIT, Dec. 12.—It is understood that a definite effort will be made in Detroit to organize a plate glass association. The competition from 50-50 and cut-rate companies, according to informed sources, has become so serious that the leading plate glass producers are seeking relief. A suggestion has been made to the National Bureau that may result in the formation of such an association for at least the city of Detroit.

Maryland Opens K. C. Branch

The Maryland Casualty has established a branch office in Kansas City, Mo. J. Frank Miller has been appointed resident manager. The office is in the Lathrop building. The office has been opened following the resignation of the company's Kansas City general agent. It will have Kansas and western Missouri for territory. Mr. Miller has been manager of the Kansas City claim division and has been with the company since 1920.

To Open Houston Branch

BALTIMORE, Dec. 12.—The Fidelity & Deposit will open a branch in Houston, Tex., Jan. 1, under the direction of George P. Wingo as manager. Mr. Wingo was formerly connected with the Aetna Casualty.

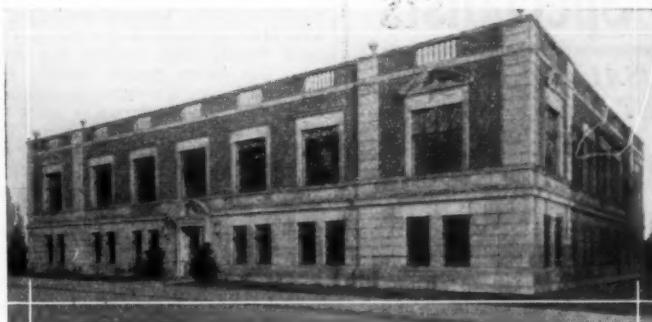
This new branch will operate as a sub-branch of the Dallas office, which will hereafter be known as the Texas department. Robert E. Carter is manager of the latter office.

Assets

\$2,306,694.43

Surplus to Policyholders

\$567,214.58



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THE OHIO CASUALTY INSURANCE COMPANY

FULL COVER AUTOMOBILE . LIABILITY PLATE-GLASS . BURGLARY . BONDS

FREEPORT MOTOR CASUALTY CO.

A STOCK COMPANY

Capital \$200,000.00

Established 1919

**AUTOMOBILE INSURANCE
EXCLUSIVELY**

AGENTS WANTED IN ILLINOIS

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L. G. YOUNGLOVE, Sec'y & Manager

Freeport, Ill.

**New Amsterdam
Casualty Company**

**A Progressive
Surety and Casualty Company**

Income Insurance Specialists

**OPPORTUNITIES FOR SALESMEN
IN FORTY-SEVEN STATES**

North American Accident Insurance Co.

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**Re-Insurance
Excess Re-Insurance
Catastrophe Hazard**

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RE-INSURANCE UNDERWRITER

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All Lines but Stressing Excess Fire Reinsurance General Classifications

WANTED

Casualty Insurance man age preferably 30 to 35 years—must be high class and thoroughly versed in casualty and burglary lines. To have charge and develop desirable class of business for casualty department being established in well known Agency office. Excellent opportunity. Reply treated strictly confidential. Address **H-53**, The National Underwriter, giving present position, age and salary expected.

WANTED—By reliable stock casualty company. Home Office claims examiner experienced in handling all kinds of casualty claims. Legal training preferred; one who in time will qualify to take charge of Home Office claims department. State age, salary, experience, family and education. Address **H-52**, The National Underwriter.

WANTED—Experienced Home Office liability and burglary claims examiner. State age, experience, family, education and salary expectations. Address **H-51**, The National Underwriter.

PROGRESS IN SOLVING PROBLEM IS REPORTED

(CONTINUED FROM PAGE 41)

method of placing all offices on an equal basis. Another view, held by a minority group, is that the cutting should be vigorous and should be done now.

Those who hold to the less violent course say that the second course would result too favorably to the offices of the smaller and newer companies, that they would receive an unfair advantage in the field at the expense of their pioneering predecessors. The argument is the more forceful in the absence of any demand for favors from the offices that would benefit most. The old companies have worked long and hard to attain to their present positions, and inevitably they object to giving away now what it has taken them many years to gain.

Full Assurance Given

Colonel Stoddard assured and reassured the Chicago men that he has the confidence of the company home offices and that it is his intention to work on the Chicago matter until a fair and equitable basis of operation is established. His selection as Chicago arbitrator resulted directly from his success in handling the New York situation.

The Chicago executive and acquisition cost committee of the local association is composed of Richard E. Cline, Aetna Casualty; William H. Hansmann, American Bonding; J. L. Maehle, American Surety; A. A. Korte, Fidelity & Casualty; W. G. Kress, Fidelity & Deposit; Gordon H. Fox, New Amsterdam Casualty, and W. O. Schilling, United States Fidelity & Guaranty. These men have worked unremittingly for the last two years to solve the Chicago problem. Other officers of the association also have given their best efforts to the matter, but on the executive and acquisition cost committee falls the heaviest burden.

Some of the general agents from Chicago who are in New York participating in the big insurance week activities there conferred with Colonel Stoddard. The arbitrator expects to return to Chicago next month and review the situation with the surety people there. He has gotten a list of the outstanding contracts of the various companies in Chicago. The question is whether some conclusion can be reached as to relief or adjusting them to conform with the rules.

Formation of a local association of surety men in Detroit and appointment of an arbitrator with real power to straighten out disputes is strongly urged by H. V. Upington, Detroit manager of the Fidelity & Casualty, although he admits that there seems to be no wide demand in the city for such an organization.

"A committee of three executives from the National conference on surety acquisition cost visited Detroit several weeks ago and held a meeting with the leading producers," Mr. Upington recalls. "After that meeting there was some hope that steps would be taken to form a local surety association for the purpose of eliminating the high commission cost which is now attached to practically all Detroit business, but so far no steps seem to have been taken."

GLENS FALLS INDEMNITY INCREASES ITS CAPITAL

An increase in the capital of the Glens Falls Indemnity from \$750,000 to \$1,000,000, and an increase in the surplus from \$400,000 to \$500,000 is announced by the company as of Dec. 10. At the same time a contribution to the special reserve has been made, which enables the company to accommodate properly the steadily growing volume of business produced by its first year of operation.

Two more stories will be added to

the addition of the Glens Falls home office, which houses the Glens Falls Indemnity. This new five story structure will be ready for occupancy in the spring, and will cost approximately \$400,000.

C. J. STEPHAN IS PROMOTED

**Made Manager of New York City
Branch Office of Metropolitan Cas-
ualty—Is Widely Experienced**

Carl J. Stephan has been appointed manager of the New York branch office of the Metropolitan Casualty at 80 John street. Mr. Stephan succeeds John R. English, who has resigned. In announcing the appointment, J. Scofield Rowe, president of the Metropolitan, said:

"It is a well merited promotion in recognition of the splendid results achieved by Mr. Stephan in organizing and developing the Brooklyn branch office of the company."

Mr. Stephan began his insurance career in 1910 with the Aetna Life in Hartford. He worked in various underwriting departments and later was appointed assistant superintendent of the automobile department. In 1919 he left the Aetna to become manager of the automobile department of the Sun in New York City. In 1920 he joined Chubb & Son and in 1922 was appointed Brooklyn branch manager of the United States Fidelity & Guaranty. He joined the Metropolitan Casualty in 1925 and established the Brooklyn branch office of that company.

WON'T FAVOR COMPULSORY AUTO LAW IN CALIFORNIA

SAN FRANCISCO, Dec. 12.—More drastic regulations and provisions in the California motor vehicle laws will probably be introduced in the legislature in January instead of a compulsory automobile liability insurance plan, according to information in San Francisco political circles. Edgar A. Levey, chairman of the special legislative committee appointed last year to study the problem, recently returned from Massachusetts, where he investigated state conditions. According to political wise-aches who have discussed the question, Mr. Levey believes that the entire question is still too much of an experiment, that the Massachusetts law has not been successful thus far and that without sufficient experience it will be impossible to set up an efficient law.

No Decrease in Taxicab Rates

NEW YORK, Dec. 12.—Denial has been made by the New York department of a decrease in present taxicab liability insurance rates, proposed by representatives of taxicab writing mutual companies. The Northeastern Surety offered to reduce its rate to \$27 a month, but the department declined to sanction any change from the existing figure of \$28 on direct business and \$30 a month in cases where brokerage is allowed, maintaining that these figures were necessary in order to fulfill contract obligations. A merit rating plan was approved under which risks immune from an accident for 12 successive months will be entitled to a 10 percent rate reduction in the following year.

Caldwell in St. Louis

Rogers Caldwell, president of Caldwell & Co., Nashville, Tenn., is spending several days in St. Louis in connection with the interests of his company in the Missouri State Life and the Southern Surety.

The Alliance Casualty of Philadelphia, the running mate of the Alliance Fire and a new company in the North America group, has been licensed in Illinois for casualty and surety lines as well as life stock.

MERGERS INFREQUENT IN CASUALTY FIELD

ONLY DONE TO WIDEN SCOPE

New Company May Take Over Dis-similar Organization to More Advantage

NEW YORK, Dec. 12.—While mergers have been of frequent occurrence in the fire insurance field, they rarely happen in casualty circles, the marked difference in the general conduct of the latter business militating against such happening. A casualty company writing general lines usually has a considerable volume of compensation business on its books, and when a sale or merger is talked of it is generally because of the unsatisfactory experience with that line. Any company writing one of the several desirable branches of the casualty business, such as personal accident, fidelity, surety or plate glass, would experience no difficulty in selling or reinsuring, providing, of course, its risk classification is of the right character. It would prove particularly attractive to a newly formed organization or one seeking to broaden the scope of its activities into divisions of underwriting in which it had not previously engaged.

Expensive for New Company

It is a highly expensive proposition for a new company to establish itself in the field and often would prove a measure of economy to buy up a small going institution with a recognized agency force, which would serve as a nucleus for building up a broad organization. Under such circumstances the new institution could well afford to pay a higher price for the stock of a going company

than could an organization already transacting the same class of business. History has demonstrated that in reinsuring a casualty organization by a going company of the same general character scarcely 30 percent of the business is retained, and renewals, plus the opportunity for securing an enlarged agency force, of course furnish the primary motive for a reinsurance deal.

SISTER SUES BROTHER FOR MOTOR ACCIDENT

Where a brother and sister were touring among the Massachusetts hills in his car, driven by himself, she accompanying him on his invitation, and the sister was injured because of the brother's gross negligence (the Massachusetts law distinguishing between ordinary and gross negligence, and, in the absence of willful injury, holding an invitor liable to an invitee only for gross negligence), held, it was error to charge: "If the accident occurred through the exercise of poor judgment by the defendant, the defendant is entitled to a verdict, as the exercise of poor judgment does not constitute gross negligence." The doctrine of "common enterprise" as a defense is only applicable as regards third persons not parties to such enterprise. It was therefore error to charge: "If the jury finds that the plaintiff and the defendant were engaged in a common enterprise at the time of the accident, then regardless of any question of negligence the defendant is entitled to a verdict." One placed in sudden danger by reason of an emergency is held responsible for error of judgment if his own negligence contributes to cause the emergency. Judgment for defendant reversed. *Harber vs. Graham*, Ct. Errors and Appeals, N. J.

Pedestrian Has Right-of-Way

Indicative of the growing need for automobile public liability coverage is the recent ruling of the United States

circuit court of appeals to the effect that a pedestrian crossing a street at a traffic-lighted intersection has the right-of-way to the opposite side regardless of signal shifts. Every insurance agent has seen motorists start into motion when traffic lights change even though the intersection may be crowded with pedestrians. The motorist who strikes and injures one of these persons is liable, for the lights do not give him the right to plunge his car through foot traffic.

Every local agent should be able to use this ruling effectively in his work. The streets and highways are becoming more crowded with automobiles daily, but many people still walk. The walker is always right if he crosses streets at intersections. Traffic lights are for everyone, but for the foot passenger first. The ruling of the court is just, and it should help the agent.

Detroit Manager Resigns

The New Amsterdam Casualty announces the resignation of C. D. Bartholomew, resident manager at Detroit, to take effect Jan. 1. Prior to assuming his present position, Mr. Bartholomew was connected with the Chicago office of the Standard Accident and before that with the London Guarantee & Accident. His brother has been the manager of the New Amsterdam's branch office at Chicago for some years.

Mr. Bartholomew has not made public his plans for the future, nor has the company as yet arranged for a successor. In case it has not done so by the time Mr. Bartholomew leaves, George F. Loree, now manager of the surety department, will act as representative in charge.

Liability of Father for Son

It is settled law in Ohio that the mere family relationship in cases where the father owns an automobile and a son is allowed to use it for his own purposes on such occasions as he may see fit, does not create liability against the owner of the car for damages resulting from negligence of the son in operating it. Where the father is not guilty of negligence in entrusting the car to a son who is an incompetent driver, liability can only arise when the son is operat-

ing the car as agent or employee of the father or on a mission for him. And even if the son was the agent of the father for the purpose of taking the car to the garage as directed by his father, such agency would not exist when the son, in violation of the directions given him, took the car on a pleasure trip of his own. Judgment for Nie-man plaintiff below, reversed. *Moore vs. Neiman*, Ct. of Appeals, Ohio, 6th Dist.

Created Direct Obligation

Appellee had recovered a judgment for personal injuries against appellant's insured, and then brought action thereon against appellant. Although it is based on no ruling of the court below, and upon no assignment of error, appellant advances the contention that appellee's remedy was by garnishment proceedings. Conceding it to be true that, in view of the admitted fact that appellant took charge of the defense in the action against insured, it was bound by the judgment in that action and might have been proceeded against by garnishment, it is nevertheless true that the insurance contract created a direct obligation in favor of appellee upon which she might bring an action directly against appellant. Judgment affirmed.—*Eagle Indemnity vs. Diehl*, U. S. C. C. A., 9th Cir. (Ore.)

Casualty Notes

The Ohio utilities commission has ruled that all interstate motor buses must carry liability insurance.

The Union of Indiana has been licensed in Illinois to write liability, plate glass and automobile insurance.

The Columbian Protective of Birmingham and the Universal Casualty of Dallas, Tex., have been licensed in Ohio.

The Washington Fidelity National has withdrawn from the Pacific Northwest Insurance Agency at Seattle and will be represented in the state of Washington by Mrs. E. R. Dugan, state manager.

The Greater City Surety & Indemnity, which has been operating in New Jersey and Massachusetts, has applied for admission to Pennsylvania and Connecticut.

The Inland Bonding of South Bend, Ind., and the Inter-Ocean Reinsurance of Cedar Rapids, Ia., have been admitted to Kentucky.

PENNSYLVANIA SURETY CORPORATION

JOSEPH W. WARD, President

IF the opinion of well informed experts counts, this organization is on the threshold of sound and rapid development. Agents who appreciate personal cooperation can get our story from

J. RAY DONAHUE
Vice President in Charge of Production

Pittsburgh, Pa.

STRONG IN RESOURCES

RESOURCES OVER \$2,900,000

ABLE IN MANAGEMENT

INCOME PROTECTION NON CANCELLABLE

You, as an Underwriter, have looked forward to the day when you could sell a strictly Non Cancellable Health and Accident policy, positive, clean cut and Businesslike in every detail.

We now offer you the Opportunity with the advent of our new "Gold Seal" Non Cancellable contracts. And here are a few reasons why you can underwrite this class of coverage to the best possible advantage.

1. It is Non Cancellable, the payment of premiums being the only requisite to keep the policy in force.
2. Written on both male and female risks, unusual as to permitting women to be written on a Non Cancellable contract but true nevertheless.
3. We give male clients the option of continuing their policies up to age 70—female clients up to age 60.
4. Good first commissions and attractive renewals.

Openings for representatives available in sections of Michigan, Pennsylvania, Indiana, Illinois and Missouri.
For all details of our direct agency proposition write—Manager of Agencies
INCOME GUARANTY COMPANY
INCOME BUILDING
SOUTH BEND, INDIANA

Special Agents (2) Michigan OPPORTUNITY

A-1 stock company specializing automobile plate glass has opening for two-fisted, red-blooded, special agents, one in Northern Michigan, one in Southern Michigan. 28 to 35 years old. Must be experienced, covering territory now, and be well acquainted with high-class agents. Position permanent. Good chance to prove worth for advancement. Salary, bonus and expenses. State age, experience, salary expected. Complete references in first letter to be considered immediately. Correspondence confidential. Address Box H-39, The National Underwriter.

SPECIAL AGENT

CHICAGO and COOK COUNTY. Aggressive Stock Casualty Company, starting campaign to plant in Chicago and Cook County, has exceptional opportunity for an experienced Contact Man. Must be acquainted with the larger, financially responsible General Agencies in Chicago and Cook County—30 to 40 years old—prefer man employed at such work now. State salary expected, complete references, and experience to be considered immediately. Address Box H-42, The National Underwriter.

OPPORTUNITY

Growing Successful Stock Casualty Company has opening for a two-fisted red blooded special agent, in northern Illinois—Headquarters Chicago—28 to 35 years old—Must be experienced and covering territory now—and be well acquainted with the high grade agents—Position permanent—good chance to prove worth for advancement—Salary, Bonus and Expenses. State age, experience, salary expected; Complete references to be considered immediately. Address Box H-41, The National Underwriter.

MALE HELP WANTED

College graduate or junior professor between ages 35 and 45, stenographic experience, as secretary to the President of large insurance company. Address H-36, The National Underwriter.

SPECIAL AGENT WANTED

Must have personal acquaintance with agents in Ohio, Pennsylvania, Michigan, and Indiana, and must have experience in all casualty lines and Fidelity and Surety. Address Box H-37, The National Underwriter.

Stenographer

Wanted—January first, experienced combination stenographer and assistant Accident & Health Underwriter. State age and experience in first letter—\$30.00 week to start. Advancement. Address Box H-47, The National Underwriter.

MARTIN AGAIN CHOSEN TO HEAD FEDERATION

(CONTINUED FROM PAGE 3)

mittee or an individual to consider insurance with a school board, said Mr. Goodwin. Such a committee should analyze rates, valuations, forms, safety measures and needs for insurance other than fire and tornado. Where a committee is not appointed, no one agent will give the subject sufficient consideration because when distributed the premium is too small to warrant much attention from any single agent and as usual everyone's business becomes no one's business. It is necessary, according to Mr. Goodwin, that the agents explain the committee plan of handling to the school board and sell it the idea. The federation by special vote endorsed the Pennsylvania plan of handling school property insurance.

Madden Speaks on Education

James L. Madden, third vice-president of the Metropolitan Life, chairman of the federation committee on education, cited the banking business as offering the best example of educational preparation of future employees and directors, and public utilities as next. He hoped the insurance business might eventually follow the bankers in establishing local institutes with definitely standardized courses and in creating a scholarship loan fund of \$500,000 to help needy students. The plan of the committee is to help set up state federation educational committees in Pennsylvania, Wisconsin and Nebraska, these committees to work in their states, contacting with educational institutions now giving insurance courses, aiding them in getting insurance course students, assisting needy students and encouraging development of extension courses. These state committees are to urge the importance of teaching insurance as a regular part of economics courses. The national educational committee will direct preparation of a booklet outlining the advantages of an insurance career, designed for distribution to college students. A special committee headed by George F. Michelbacher is to canvass the companies on the project of a more intensive effort to train home offices' employees.

Can Work With Federations

Insurance commissioners can work freely with the insurance federations in the opinion of John R. Dumont, commissioner of Nebraska, who followed Mr. Madden with an address on the relation between state insurance federations and state insurance departments. They often have a common object, such as in seeking to educate the public and in opposing state insurance schemes. He praised the aid given him in Nebraska by the federation of that state.

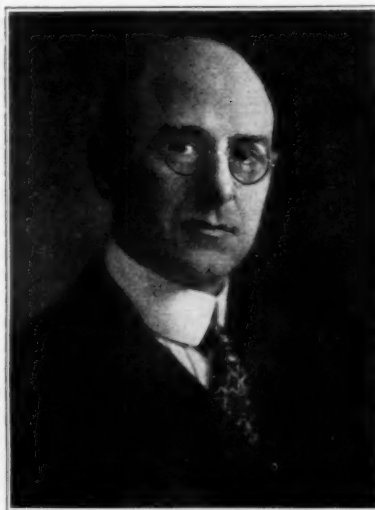
Discusses Compulsory Measures

W. C. Safford, retiring commissioner of Ohio, was Mr. Dumont's commissioner partner on the program. Mr. Safford gave an unusually clear and incisive discussion on compulsory automobile liability insurance. He denied existence of any clear analogy between compulsory automobile liability insurance and workmen's compensation protection, pointing out that there was no principle of contract involved between an automobile driver and a pedestrian. He cited numerous classes of automobile accidents which would not be covered, and insisted that a first need was for selected drivers. He cited the increase of ambulance chasing induced by the Massachusetts law, the increase in false claims and the placing of a pre-

mium on carelessness. The real objection, he concluded, was the impetus compulsory insurance gives to state insurance.

Report on State Progress

Reports on state progress were made by Leonard L. Saunders of Albany for New York, John W. Downs of Boston for Massachusetts, Mrs. M. L. Fletcher of Columbus for Ohio, Stacey W. Wade of Durham for North Carolina and Walter W. Belson of Milwaukee for North Dakota. Chief efforts in New York have been centered on keeping such groups as automobile clubs out of the insurance business. Mrs. Fletcher and Mr. Wade reported renewed interest in federation work in their states. Mr. Downs predicted Massachusetts would defeat any efforts to establish a state fund during the coming year, but only after a hard fight. Mr. Belson said the North Dakota federation had about 500 members. He believed there was an excellent chance that the state would admit private competition next



FRANK T. B. MARTIN

year with its state workmen's compensation fund.

Chandler's Report Read

Annual insurance days are now established in Indiana, Connecticut, Tennessee, Nebraska, Pennsylvania, Kansas, Kentucky, Wisconsin, Illinois and Iowa; so reported the insurance day committee headed by Frank W. Chandler. Mr. Chandler was not present. His report was presented by President Martin. Next year plans are under way for holding insurance day meetings in Michigan, Missouri, Oklahoma, Texas and Arkansas. William G. Curtis of Detroit, treasurer, reported a balance in the treasury sufficient to carry on its work until next dues are payable, next February, a total of \$33,000.

Denounce Tax Increase

A resolution denouncing increased tax rates on insurance, presented by George D. Webb, chairman of the resolutions committee, was adopted. This is the same resolution adopted Monday morning by the insurance commissioners.

Dr. Gus W. Dyer, professor of economics in Vanderbilt University, was the headliner at the banquet Monday evening at which President Martin acted as toastmaster. Dr. Dyer said private business flourished only when it was conducted "for" the people, while a business conducted "by" the people was usually conducted "for" its employees.

The American principle on relation of government to business is that the government shall conduct no business which can be adequately performed by private interests. An unusually high standard of entertainment was provided by musicians and by "Senator" Edward Ford of Michigan, a second speaker at the

banquet. Frank T. B. Martin was re-elected president by the federation.

Elect Trustees

The following were elected to the board of trustees: Frederick Richardson, General Accident; Charles Bellinger, New York City; T. E. Braniff, Oklahoma City; W. M. Byrne, St. Louis; J. W. Henry, Pittsburgh; C. H. Holland, Independence Indemnity; G. Arthur Howell, Atlanta; J. T. Jones, Washington, D. C.; Karl V. Lively, Portland, Ore.; Hill Montague, Golden Seal Assurance of Richmond; Wessell Doherty, Hartford Accident; F. J. O'Neill, Royal Indemnity; J. S. Phillips, Great American Indemnity; E. A. Piepenbrink, Milwaukee; A. Duncan Reid, Globe Indemnity; C. L. Smith, Salt Lake City; C. H. Van Campen, Minneapolis; H. H. Wadsworth, Syracuse; Manton Maverick, Continental Casualty; W. S. Wilson, Cleveland.

The advisory committee elected was: William Bro Smith, Travelers, chairman; Sheldon Catlin, North American, and David Van Schaack, Aetna Life.

Finds West in Good Shape

The general prosperity being enjoyed by most of the western United States and Canada is founded on basically sound agriculture and industrial conditions, it is declared by W. E. McKell, vice president of the American Surety, just returned from a trip through those sections. Important cities visited by Mr. McKell included Winnipeg, Vancouver, Seattle, Portland, Los Angeles, Salt Lake City and Denver.

Confidence in continued progress was noticeable on every hand. The good condition is due to no one particular cause, but rather to generally profitable business and strong confidence in the future.

Report on Continental Casualty

The regular triennial examination of the Continental Casualty as of June 30, 1928, has been completed. The insurance departments of Indiana, New York and Kansas participated. The period under review was from June 30, 1925, to June 30, 1928.

The official report of the examination, which is now being filed, concludes:

"This report shows the company to be in sound financial condition with admitted assets of \$21,532,226.61 and a surplus and voluntary reserve of \$5,157,763.11 over all liabilities, which with its capital of \$3,000,000 provides a surplus to policyholders on the Indiana basis of \$8,157,763.

"Since the last examination the net premiums have increased from \$6,857,236 for the six months ending June 30, 1925, to \$8,047,091 for the six months ending June 30, 1928; the admitted assets have increased from \$13,632,574 to \$21,532,225; the liabilities from \$10,067,392 to \$13,374,463 and the surplus from \$1,565,182 to a surplus and voluntary reserve of \$5,157,763."

Pownall with Metropolitan

Horton C. Pownall, with the Aetna Life for many years past, connected with Bates, Lively & Pearson, Portland, Ore., has been appointed state supervisor for the Metropolitan Casualty. The appointment was made by J. C. Heyer, vice-president, during a visit to Portland.

Casualty Notes

The Maryland Casualty has been licensed in Canada to write insurance against loss or damage to persons or property caused by aircraft.

The Constitution Indemnity of Philadelphia has appointed the Tad Agency, Inc., its Bronx borough agent for both casualty and surety lines.

Mrs. Selma E. L. Siegel, formerly secretary to Jules H. Kerker of Davenport, Ia., has made a connection with the Ohio Casualty in its St. Louis branch office.

R. L. Hemingway, safety engineer for the Zurich at San Francisco, is recovering from a serious operation and expects to be able to return to his office about Jan. 1.

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During Twenty-four months over 2000 Agents, in 42 States have "CENTRALIZED" their Casualty and Surety Business to the extent of over THREE and ONE HALF MILLIONS in premiums. They KNOW the men who are in back of this American Company. They KNOW the kind of service to expect from them—practical, friendly service with simple, direct methods.



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Fred W. Fleming
President

MISSOURI
Dennis Hudson
V. P. & Manager of Agencies

Worth \$5,000.00—But She Threw It Away!

One of the thousands of interesting stories which can be found in the files of the Life Department of The Travelers

WHILE sorting over her husband's papers a widow found a \$5,000 Travelers life insurance policy.

She promptly tore it up and threw it away!

Why? Because she was ignorant of the value of such things as life insurance policies?

No! Because she remembered that, ten years before, her husband had stopped paying premiums on it and allowed it to lapse.

But that isn't the end of the story. When her husband stopped paying his premiums, he gave no instructions as to what he wished done with its cash value. The Travelers, following its customary procedure under such circumstances, carried it along on the extended term feature.

The extended term period on that particular policy recently expired, and The Travelers, following its usual custom, started an investigation to find out whether or not the policyholder was still alive. A few days later a Travelers adjuster knocked on the door of a little home.

"Did your husband at one time have life insurance in The Travelers?" he asked, after learning that the woman who came to the door was the person he wanted.



"Yes," she replied, "but he stopped making payments about ten years before he died. I found the policy a year or two ago, but I thought it was worthless, so I threw it away."

"That makes no difference," replied the adjuster. "That insurance was still in force at the time of his death. Here is a check for \$5,000."

You can imagine her pleasure and surprise upon receiving this \$5,000 check out of a clear sky. But what she found most difficult to understand was: why should The Travelers go to all the trouble of finding her and paying her that \$5,000 when no one outside of the Company knew that the money was owing her?

Had she known The Travelers better, she would have known that this was not an exceptional case; that The Travelers spends thousands of dollars every year in investigating just such cases as these to make certain that its policyholders or their beneficiaries shall receive every dollar which is rightly due them.

It is instances of this kind that convert Travelers policyholders and agents into enthusiastic boosters for the Company.

THE TRAVELERS

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